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The National Interests of Singapore: A Background Study for United States Policy

by

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With the loss of United States bases in the Philippines, the forward presence mission of the US military is moving into to a new phase. With fiscal restructuring at home and less unity of purpose among the nations of Asia, the United States is moving to a strategy of "places not bases" in Southeast Asia. For the strategy to succeed, it is necessary to find like-minded partners in the region who will allow open access to facilities to provide the support needed for the US military to operate globally.

The Republic Singapore has been a vocal advocate for a continuing presence of United States forces in the Asia-Pacific. In consonance with its views, Singapore has offered the United States military expanded access to its facilities, agreeing to allow the stationing of a limited number of US military personnel in the Republic.

It behooves US policy planners to understand the views of the Government of Singapore. This thesis explores institutional development in Singapore, detailing the evolution of its political, economic, diplomatic and defense structures. As a background study, it gives an appreciation of Singapore's world view and national interests.

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With the end of the Cold War and the subsequent loss of United States bases in the Philippines, the forward presence mission of the United States military is moving into to a new phase. With fiscal restructuring at home and less unity of purpose among the nations of Asia, the United States is moving to a strategy of "places not bases" in maintaining its presence in Southeast Asia. For such a strategy to succeed, it is necessary to find like-minded partners in the region who will allow open access to regional facilities to provide the support needed for the United States military to operate globally.

The Republic Singapore has been the most vocal advocate among Southeast Asian nations for a continuing presence of United States forces in the Asia-Pacific and Indian Ocean. In consonance with its views, Singapore has offered the United States military expanded access to its excellent facilities, agreeing to allow the stationing of a limited number of U.S. Military personnel in the Republic. As such, it behooves U.S. policy planners to understand the nature and views of the Government of Singapore. This thesis explores institutional development in Singapore, detailing the evolution of its political, economic, diplomatic and defense structures. As a background study, it attempts to give an appreciation of the way in which Singapore views the world and defines its unique national interests.

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Executive Summary

With the end of the Cold War and the subsequent loss of United States bases in the Philippines, the forward presence mission of the United States military is moving into to a new phase. With fiscal restructuring at home and less unity of purpose among the nations of Asia, the United States is moving to a strategy of "places not bases" in maintaining forward presence in Southeast Asia. For such a strategy to succeed, it is necessary to find like-minded partners in the region who will allow open access to regional facilities to provide the support needed for the United States military to operate globally.

The Republic Singapore has been the most vocal advocate among Southeast Asian nations for a continuing presence of United States forces in the Asia-Pacific and Indian Ocean. In consonance with its views, Singapore has offered the United States military expanded access to its excellent facilities, agreeing to allow the stationing of a limited number of U.S. Military personnel in the Republic. As such, it behooves U.S. policy planners to understand the nature and views of the Government of Singapore. This thesis explores institutional development in Singapore, detailing the evolution of its political, economic, diplomatic and defense structures. As a background study, it attempts to give an appreciation of the way in which Singapore views the world and defines its unique national interests.

An independent nation only since 1965, Singapore has become synonymous with success and efficient management of both its economy and its society. While Singapore's success has become a model for others seeking

rapid economic development, its methods for organizing its society have been contentious. A democracy in form, if not in fact, Singapore has come under criticism for its autocratic and paternalistic government intrusion into the lives of its citizens and suppression of political dissent.

As opposition to communism has departed the world geo-political scene as a central organizing principle for security rationales, the United States has placed the support of democracy and human rights specifically in its security agenda. The idea that countries with shared values would be unlikely to go to war with one another seems to the core of the argument for this new priority. In Asia, the notion of shared values is being challenged by governments who hold do not necessarily share the view that liberal democracy, as defined by the West, is necessarily the best way in which to organize societies.

Singapore is a classic example of this contrast. This thesis argues that while Singapore may not provide democratic government, from a western perspective, it does provide good government. In a world of many cultures and differing values, the United States must base its policies on shared interests rather than shared values. When examined from this perspective, the interests of Singapore and the interests of the United States correspond to a sufficient degree to make a productive relationship between the two nations advantageous to each. To make a productive relationship possible, it is essential that United States policy planners understand Singapore's history. With such a perspective, the intentions and the constraints that shape the national interests of Singapore will become apparent. It is the purpose of this thesis to provide such a study for United States policy.

I. Introduction: Singapore, A Tale of Two Cities ?

A. A Country of Contradictions: The View from the West.

> It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going direct to heaven, we were all going the other way.[1]

In the *New York Times* columnist Anthony Lewis borrowed the title of Dickens' novel in describing the tiny island nation of Singapore in his column, entitled "A Tale Of Two Cities."[2] This is indeed a curious and decidedly western view of the island city-state. Dickens highlighted the stark contrasts between the squalor and misery of the life of the "have-nots" against the splendor and comfort of the aristocracy. Lewis, in attempting to use the analogy, highlighted the subtle contrasts that Singapore presents to the western observer.

(To the observer arriving at modern Changi airport, consistently rated as one of the world's best among business travelers, and traveling by a spotlessly clean (and inexpensive) taxi to the gleaming city of waterfront high rises, it must seem the season of light and the spring of hope: Singapore as the best planned and most perfectly maintained city in the world; Singapore's clean streets and efficient and modern mass transit; Singapore as a model of public housing where 85% of the citizens live in government subsidized high rise apartments, the vast majority of them home owners; Singapore with negligible unemployment, crime and a largely drug-free society. To some western observers, steeped in the traditions of liberal democracy, who looks below the surface at the government apparatus that has wrought the remarkable changes mentioned above it may seem the season of Darkness and the winter of Despair: an autocratic government regulating its citizen's lives in the tiniest detail; a government intolerant of any threat to its power; a government with the power of detention without trial[3]; a government which will break an opposition politician, ruin him financially, and destroy his career on the pretext of misuse of $130 of university funds[4]; a government which limits the circulation of foreign publications which criticize it and refuse to publish, in full, the government's rebuttals to such criticism[5].

---

[1] Charles Dickens, *A Tale of Two Cities*, Cited in *The Oxford Dictionary of Quotations* (Oxford: Oxford University Press, 1979), p.183.

[2] Anthony Lewis, "A Tale Of Two Cities," *The New York Times*, August 6, 1993: Sect. A p.15.

All of this praise and criticism contains truths and, from a western viewpoint, create the paradox that is Singapore. The key point that Lewis seems to miss in applying the Dickens' analogy in the case of Singapore is *results*. The political world is littered with the remains of authoritarian governments which enriched themselves at the expense of their citizenry and drove their respective countries to ruin. Those who remain in power and continue to operate in such a manner find themselves imperiled and teetering on the brink of oblivion, Cuba and North Korea being two obvious examples from the former mighty communist world. South Africa, losing its grip on the enforced system of minority rule, is one from outside the communist bloc. One can find ample evidence to give credence to Lord Acton's assertion in 1887, just eight years after the death of Dickens, that 'Power tends to corrupt and absolute power corrupts absolutely.'[6]

---

[3] See Stan Sesser, "A Reporter At Large, A Nations of Contradictions," *The New Yorker*, January 13, 1992, pp. 37-68.

[4] See "The heart of the matter in the Chee Soon Juan affair," *The Straits Times Weekly Overseas Edition*, April 24, 1993, p. 15.

[5] See Philip Shenon, "2 Faces of Singapore: Censor and Communications Center," *The New York Times*, August 5, 1993, p. A6.

While the leadership in Singapore does not possess absolute power, the People's Action Party, which has ruled the island nation since its inception in 1965, comes as close to meeting that criteria as any in countries which regularly hold elections. How then, from a western viewpoint, does one account for the fact that the government of Singapore is widely recognized as the least corrupt in Asia and the entire developing world?

In the wake of the cold war, as the West searches for a new ideology to replace its moribund anti-communist notions of the "free world" versus the "evil empire," the widely touted success of Singapore presents a particular ideological problem. If the centerpiece of American foreign policy in the post-cold war era is to be the promotion of democracy and universal human rights in the tradition of western liberal democracy, then we shall certainly find ourselves at odds with the leadership of the tiny island nation. The highly authoritarian regime in Singapore, and its unabashed promotion of its view that the notions of western democracy are not the single model of universal political and economic development receive an increasing amount of attention in the developing nations of the world. As James Schlesinger argued when discussing America's quest for a post-cold war security policy:

> ... there may be some conflict between the introduction of democratic institutions and the pursuit of rapid economic growth. Many of the states now seeking new directions in economic policy quite simply reject the

---

[6] Lord Action, in a letter to Bishop Mandell Creighton, Cited in *The Oxford Dictionary of Quotations* (Oxford: Oxford University Press, 1979), p.1.

> American variant of unfettered capitalism. For much of Asia the preferred model is Lee Kuan Yew, not Margaret Thatcher.[7]

These sentiments are echoed, loudly, throughout the booming economies of East and Southeast Asia. In its early existence, immediately following independence, the tiny city state looked for models to base its policies on to ensure its survival. Examples are the Israeli model for defense and the Swiss model for economic development. With the outstanding success that Singapore has enjoyed in its short twenty-eight year history it has now become the model that others seek to emulate, particularly among regional neighbors in Southeast Asia.[8] E.K.Y. Chen writes, discussing the future of Asian economic development:

> "impressive achievements in social and economic development over the past two decades have made Singapore, as a country, one of the most outstanding models of development."[9]

The Singapore model, far from being limited to small, non-agricultural, predominantly urban countries like itself, is receiving attention even in great centers of power seeking a path to greater modernization and economic development. Nicholas D. Kristoff, New York Times Beijing correspondent for the past five years, commented, upon his return to the United States, on the current economic-political models being discussed in the People's Republic of China (PRC). With the shift from the days of Mao to the late era of Deng when, suddenly, "to get rich is glorious," Singapore is viewed as a credible example of success:

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[7] James Schlesinger, "Quest For A Post-Cold War Foreign Policy," *Foreign Affairs* , America and the World, 1992-1993, Vol. 72 No. 1, p. 24.

[8] Jonathan Rigg, *Southeast Asia A Region In Transition*, (London: Unwin Hyman Ltd., 1991), p. 187.

[9] Chen, E.K.Y. "The Newly Industrializing Countries in Asia: Growth Experience and Prospects," in *Asian Economic Development: Present and Future*, R.A. Scalapino, S. Sato & Lim Siang Jin eds. (Berkeley : Institute of East Asian Studies, 1985), p.4.

> Mao once talked of China's becoming another Soviet Union; Mr. Deng reserves his highest praise not for a socialist country but for that bastion of capitalism, Singapore.
>
> The attraction of Singapore is that it has achieved Western living standards without being infected by Western political standards. Singapore is a paramount leader's paradise, for it is populated by clean-cut, law abiding citizens who obligingly use their ballots to keep their rulers in power.
>
> "China's dream is to become another Singapore," a Western diplomat noted...[10]

This does not just represent praise from afar. Goh Keng Swee, a founding member of the People's Action Party (PAP) and the first architect of Singapore's industrial transformation and economic development, following his retirement from government in 1984, was retained as a consultant by the PRC.[11] Kristoff's assertion that Singapore is a paramount leaders paradise, however, would be challenged by Lee Kuan Yew. As Lee has said,

> If I were in authority in Singapore indefinitely, without having to ask those who are being governed whether they like what is being done, then I have not the slightest doubt that I could govern much more effectively in their own interests.[12]

By any account Singapore's journey from tenuous independence to its emergence as one of the dynamic Newly Industrialized Countries (NIC's) is a remarkable story. The white-hot crucible of political and racial heat and the intricate mix of factors that have each played a part in shaping the nation that is modern Singapore provide a fascinating study of the emergence of a modern and successful multi-racial nation-state from the ashes of World War II.

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[10] Nicholas D. Kristoff, "China Sees Key to Future In New 'Market Leninism'," *The New York Times*, September 6, 1993, Sect. A. p.1.

[11] James Minchin, *No Man is an Island* , (Sydney: Allen & Unwin, 1986), p. 51.

[12] LKY, off-the-cuff speech to the Royal Society of International Affairs, London, May 1962. Op. cit. in Minchin, p. 2.

While the journey of Singapore would be of interest to any student of political and economic development, the interest of the United States in Singapore continues to increase as the new century approaches. The United States is the largest foreign investor in a Singaporean economy which is very dependent on foreign capital. In Southeast Asia, Singapore is the United States' largest trading partner. There are more export related jobs in the United States linked to Singapore-U.S. trade than with that of any other Southeast Asian economy. In the defense sector, from 1987 to 1991 Singapore's arms imports were valued at (US) $1.276 billion. Of these imports, $1.031 billion, or over 80% came from the United States.[13]

The interests of those in the Department of Defense in Singapore go far beyond military sales. With the fate of U.S. Philippine bases still in the balance, Singapore offered the United States military expanded access to military facilities in the island republic. Following the failure of the Philippine base talks, President Bush and Singapore Prime Minister Goh Chock Tong signed an agreement whereby the U.S. Navy's Logistic Command from Subic Bay would be moved to Singapore, despite the difficulties of explaining such an arrangement to its regional neighbors. The government has consistently maintained a strong support position for the maintenance of U.S. forces in the Asia-Pacific. Singapore has become a vital link in the support of the U.S. military facilities in Diego Garcia, a key base for the US in the gulf war strategy. There are presently more United States military personnel and their dependents in Singapore than in any other Southeast Asian country. As the U.S. moves to a strategy of "places not bases" as elucidated by the Commander of U.S. Pacific Forces, Admiral Charles R. Larson[14], Singapore has arguably become the key "place."

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[13] Gerald Segal, "Managing New Arms Races in the Asia/Pacific," *Washington Quarterly*, Vol. 15 No. 3, Summer 1992. p. 89.

Singapore has been the most strongly supportive Southeast Asia nation of the continued presence of the United States military in the Asia-Pacific and Indian Ocean regions. The Government of Singapore's vocal support for the US role and its offer of expanded access to facilities have encouraged regional neighbors, such as Indonesia and Malaysia, to offer such support as is politically acceptable in the context of their own national interests and international positions.

B. Singapore's Foreign Policy Terrain, The Nation, Its People and Its Place in the World.

N. Ganesan, a lecturer in the Department of Political Science at the University of Singapore describes the "foreign policy terrain" of a country as a set of imperatives or constraints that implicitly or explicitly are factored into the decision making process.[15] The terrain in which Singapore acts in the foreign policy arena is derived from a mixture of sources. In Ganesan's model, these include the country's own unique resources, experiences and the state of international relations in general. Ganesan's tool provides a useful introduction to the land and the people of Singapore and the "terrain" in which they operate. The four constraints addressed by Ganesan as constituting Singapore's foreign policy terrain are: 1) vulnerability and the sovereignty principle: 2) demography; 3) strategic location and; 4) the resource base or lack of it.[16]

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[14] "Places, Not Bases," *Far East Economic Review*, April 22, 1993, p. 22.

[15] N. Ganesan, "Singapore's Foreign Policy Terrain," *Asian Affairs*, Vol. 19 No. 2 Summer 1992, p.67.

Vulnerability and the Sovereignty principle

One of the most distinctive features of Singapore in comparison to the rest of the world's nation-states is how small it is. The Republic of Singapore is a small island group featuring one main island and a group of some 58 islets situated at the base of the Malay peninsula. The total land area of Singapore is about 636 square kilometers. The main island is 42 kilometers long, 23 kilometers wide and is connected to peninsular Malaysia by a 1,200 yard causeway. Its topography is mainly low-lying, with broad central plateau and hills reaching 165 meters in the center of the island. Singapore is constantly "growing,". as extensive land reclamation projects continue along its coasts. Located almost on the equator, at one degree north latitude, the climate is tropical. The weather is hot and humid year round with heavy rainfall throughout the year, the heaviest period being November to January during the northeast monsoon. The heat is moderated by ocean breezes and proximity to the sea.

The majority of the population of nearly 2.8 million (July 1992) live on the main island. As such, land use is a constant challenge. Only 7% of the land is arable and a meager 4% is under cultivation. As the former Prime Minister was fond of reminding his people, "every grain of rice we eat must be paid for with foreign exchange." There is no meadow or pasture land on the island. While the central plane contains a reservoir and water catchment areas, Singapore is not even self-sufficient in water. The majority of its supply comes from the southern Malaysian state of Johor, via pipeline across the causeway.

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[16] Ibid, p.68.

Singapore's economy is it pride. The per capita income of Singaporeans is $13,900 (1991 figure, US dollars) second in Asia only to Japan and the oil rich Sultanate of Brunei. While Singapore unquestionably possesses a growing economy, featuring vibrant service and manufacturing sectors, it is highly dependent on direct foreign investment (this is especially true in the manufacturing sector) and access to export markets. With its prosperity linked to that of the world economy, Singapore is probably the most trade dependent nation on earth. The value of its foreign trade is three times its GDP.[17] Without access to markets and open air and sea lines of communication Singapore would be unable to survive as a sovereign nation. Singapore's largest trading partner is the United States, which accounts for 20% of its total trade.

After achieving its independence in 1965 by being expelled from the Malaysian Federation, the ability of Singapore to survive as an independent nation was questioned by many. The former Prime Minister himself had, prior to Singapore's independence, called the notion of an independent Singapore 'a political, economic and geographical absurdity.'[18] With contentious relations with its northern neighbor, Malaysia, due to the political difficulties that resulted in its expulsion from the Federation, and a hostile giant in Indonesia to its south, Singapore was born in a situation where survival was the first priority. While the "survivalist phase" of

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[17] Guy Toremans, "The Republic of Singapore Navy," *Naval Forces*, Vol. XXI No. 1, 1992, p. 9.
[18] Op. cit. in Alex Josey, Lee Kuan Yew, (Singapore, Asia Pacific Press, 1971) p.159.

Singapore's existence is over, the notion of vulnerability, real or perceived, has not changed.[19]

Demography: The Factor of Race

Singapore's racial composition is an important factor in both internal politics and regional relations. The unique colonial history of the island resulted in the highest concentration of ethnic Chinese anywhere apart from the PRC, Taiwan and Hong Kong and a significant ethnic Indian population, from both the subcontinent and Sri Lanka. The racial mix of 76% Chinese, 15% Malays, 6.5% Indians and a catchall category of others (Eurasians, Europeans and other Asians) has remained fairly constant since independence and governmental policy is designed to maintain such a mix.

With a variety of languages, religions and loyalties, the ethnic mix has made the task of creating a national identity for "Singaporeans" a daunting task. Singapore's approach to building a multi-racial, multi-cultural society has involved extensive social engineering efforts in the area of housing, language and educational policy.

Demands for political power equitable with their numbers in the Federation of Malaysia is the primary factor why predominantly Chinese Singapore was expelled from the Federation. The ruling People's Action Party is a multi-racial party and specifically attempts to be inclusive of all races. Their multi-racial approach to politics contrasts starkly with the politics along racial lines as practiced in Malaysia. It is not surprising that a minority group, as the Chinese were in the federation, would appeal for a political order that was not constructed on racial lines. That Singapore has maintained such an approach since independence indicates its recognition that if the country were to move forward, racial and cultural issues would have to be constructively addressed. The external dimensions of such a policy are significant. Singapore is careful to identify itself as a part of Southeast Asia. It is important to its leaders that Singapore not be viewed by its neighbors as "Chinese island in a Malay sea." Malay nationalism in Malaysia and Indonesia is sensitive to Singapore's own Malay minority.[20] The refusal of Singapore to accept a significant number of refugees from Vietnam, many of whom were ethnic Chinese, and the deliberate policy of being the last ASEAN government to recognize the PRC are examples the external elements of these ethnic constraints.

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[19] Ganesan, p.73.

Strategic Location

Strategic location is the reason for Singapore's existence. Recognized by the British as an ideal location to establish a trading post for the growing trade between Europe and the Orient, Singapore grew rapidly as a free port after its establishment in 1819. Singapore is the world's busiest port, in terms of total shipping tonnage handled annually.[21] Located at the nexus of east-west and north-south shipping and air routes, Singapore plays a critical role in both the regional economy and in defense plans of the world's global powers. The gateway to the Indian Ocean for westbound traffic and the Pacific for eastbound traffic, access to the Malacca Straits is of vital importance to both United States defense and economic interests. The Malacca Straits are perhaps more critical to the Japanese. Japan receives most of its oil supplies from the

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[20] Ibid, p.74.
[21] Ibid, p.75.

Middle East via the Straits and uses the route to transport its exports to Europe. As the Chinese economy expands, fueled by exports to the G-7 countries, their interests in secure sea lines of communication are increasing. Higher defense spending for the Navy and recent indications that the Chinese are assisting the Burmese in establishing naval facilities on the Andaman coast are indications of this expanding maritime interest.[22]

What this equates to in Singapore is a realization that there is no chance of remaining isolated from the global interests of the great powers. Singapore's leaders have always held a more *realpolitik* view of the world than their regional neighbors.[23] Indonesia, still in the shadow of the "spirit of Bandung" has tended to follow a foreign policy line which attempted to minimize the influence of the great powers in the region. Malaysia's Mahathir, now the self-styled spokesman for the interests of the "south"(developing nations) versus the "north" (the developed nations), also attempts to promote policies that would minimize the influence of the more developed nations in regional affairs.

The Malaysians were also the original proponents of the concept of Southeast Asia as a zone of peace, freedom and neutrality (ZOPFAN) adopted by ASEAN in 1971. The initial proposal for the Zone called for the neutralization of the area to be guaranteed by the great powers, the United States, the Soviets and the PRC. It was opposed by the Indonesians as going "hat in hand" to the great powers to seek security guarantees, thereby violating their principle of non-alignment and inconsistent with Indonesian concept of national resilience. Singapore's pragmatic assessment was that, however well intentioned, it stood little chance of changing the course of traditional power politics. Singapore maintained that the great powers would always have an interest in the region, and advocated a policy of maintaining the regional balance by a judicious involvement of all the great powers. The ZOPFAN proposal was watered down significantly and became merely a statement of intentions.[24] Singapore has consistently maintained an active foreign policy which successfully operates in the *realpolitik* milieu.

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[22] Wayne Bert, Chinese Policies and U.S. Interests in Southeast Asia, *Asian Survey*, Vol. XXXIII, No. 3, March, 1993, pp. 324-327.

[23] James W. Gould, *The United States and Malaysia*, (Cambridge Mass.: Harvard University Press, 1969),p. 219.

Resource Base or the Lack of It.

Singapore has no natural resource base. While its ASEAN neighbors have extensive resources and large primary or agrarian sectors in their economies, Singapore is distinguished by the absence of such sectors. The absence of natural resources leads to Singapore's reliance on other countries for survival. Already noted is Singapore's dependence on the water resources of Malaysia and the necessity to import almost all its food and pay for it with foreign exchange.

Singapore's assets, or resources, are its location, its excellent deep water port and the skills and talents of its people. To utilize these assets to maximum advantage, Singapore is dependent on participation in the world economy. The dependence extends to the capital and labor factors. Singapore's developmental strategy has relied on foreign capital and expertise in the manufacturing sector. Political measures that have been criticized by the west as draconian have been justified by the government as necessary to provide the needed political stability and labor discipline to attract the investment of Multi-National Corporations (MNC's). Singapore augments a disciplined but small labor force and fills low wage or temporary jobs by the judicious use of guest workers. This limits the need to extend government services to the entire labor force and is a useful tool to battle unemployment in times of economic downturn. Singapore also encourages foreign nationals with needed skills to operate from Singapore and to be employed by local concerns if they contribute to the success of their enterprises.

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[24] Zainal Abidin A. Wahid, "The Problem of Security in Southeast Asia, Is Neutralization the Answer?," *Nusantara*, January, 1972, p. 137-138.

While government strategies may come under criticism from western political scientists and labor leaders and domestic economic nationalists, they have been successful in their intent of providing an environment in which investment is attracted and industry grows. The lack of a resource base is a constraint that can not be wished away. As such, government policies that ensure that the skills and talents of its people will be mobilized to serve the good of society as a whole will continue. With a tiny domestic market and a legacy as a free port, Singapore will be one of the Asian nations which will continue to argue for free trade in the world economy. Government policies to continually press the economy up the value-added ladder, extend its international connections and remake its economy to adapt to the information age will characterize their economic policy.

C. Research Question and Methodology

The Lewis' editorial in the *New York Times*, raises a significant question for U.S. policy planners. How should the United States view the government of Singapore and its somewhat novel approach to democracy and market economics? A lack of understanding can potentially damage the bilateral relationship between the two nations. This was amply demonstrated by the recall of an American diplomat, the so-called "Hank Hendrickson affair," in 1988. The recall (or expulsion) came at the request of the Singapore government which had accused Hendrickson of meddling in Singapore's internal affairs.[25]

The hypothesis of this study is that only by understanding where Singapore has come from can we hope to understand the nature of the society and political economy present in the island republic today. The question to be answered is: how did Singapore become the nation it is today? By examining the historical forces which shaped Singapore, the genesis of the strong its survivalist mentality becomes clear. Policies that appear repressive, by the standards of larger western nations, are viewed by tiny Singapore as essential to its survival. Singapore views itself as operating on a razor's edge, due to the constraints of the "terrain" in which it operates. There is no room for error. The exhortations of Lee Kuan Yew, uttered in 1966, shortly after independence remain operative in Singapore today:

> How do we ensure our interests are not prejudiced in this situation? I would say that our best chances lie in a very tightly-organized society. There is no other way. Many other small societies like ours have survived... Societies like ours have no fat to spare. They are either lean and healthy or they die... But if a 'soft' society is developed then we cannot survive. If you are easily rattled and panicked and it is manifest to others that this is a population that can be rattled, that can be panicked, then the options at my disposal are limited.

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[25] For an extensive discussion of the Hendrickson affair as well as alleged human rights violations in both Singapore and Malaysia see *Recent Developments in Singapore and Malaysia, 1988* Hearings before the Subcommittee on Human Rights and International Organizations of the U.S. Congress House Committee on Foreign Affairs. (Washington: GPO, 1988)

> What is required is a rugged, resolute, highly trained, highly disciplined community. Create such a community and you will survive and prosper here for thousands of years.[26]

In our relationship with Singapore, we are dealing with a government which is far more concerned with results than process, but process is still respected. Singapore is the only country in Southeast Asia that has consistently held free elections since independence and also has not resorted to the imposition of military or "emergency" rule[27] While it routinely returns to the ballot box, its claim to legitimacy is its performance not its popularity. The success of the country and the growing political awareness of its increasingly educated and sophisticated population has led to an ironic situation. Singaporeans want more political pluralism and are increasingly resentful of the government's paternalistic and high-handed methods but only trust the PAP to govern the country.[28] This is the major challenge the government faces as the twenty-first century approaches.

The bilateral relationship between the United States and Singapore and is based on mutual advantage and shared common interests. It is not based on friendship, cultural affinity, or shared philosophical values however much these may exist in certain instances. In international relations there are no friends, only interests. Armed with an understanding of the creative process of the "rugged society" in Singapore, that is still ongoing, those charged with representing the interests of the United States in Singapore, including an increasing number of Department of Defense personnel, can avoid potentially damaging political and diplomatic missteps that might damage or fracture the relationship.

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[26] Lee Kuan Yew, Op. cit., in Josey, p.330-331.

[27] R.S. Milne & Diane K. Mauzy, *Singapore The Legacy of Lee Kuan Yew*, (Boulder Co.: Westview Press, 1990), p.4.

[28] *Regional Outlook: Southeast Asia 1993-94*. (Singapore: Institute of Southeast Asian Studies, 1993), p.17.

The methodology to be employed is an historical analysis of the development of modern Singapore. The history of Singapore and the region before the arrival of the British will provide the background for this inquiry. Beginning with the founding of Singapore in 1819, its history will be divided into critical periods during which different forces shaped its destiny. The first period is that of British supremacy which was effectively ended when Singapore fell to the Japanese in 1942. The second period is the transition phase of Singapore's history from colonial rule to independence which actually began with the Japanese occupation and ended with Singapore's expulsion from Malaysia in 1965. The next period begins at independence in 1965 and end with Lee Kuan Yew's retirement as Prime Minister in 1990.

Institutional development in Singapore in the areas of economics, politics, diplomacy and defense will be examined in each historical period. Following the historical analysis, a section will examine Singapore as the new century approaches, with the intent of determining what, if any changes, have occurred or may be anticipated in the post-Lee Kuan Yew era. Singapore's institutions will be examined in an attempt to update the reader on more recent trends and issues.

The final section juxtaposes the special interests of the United States in Singapore with the place of the United States in the national interests of Singapore. This examination will highlight areas of consensus and identify possible areas of conflict.

II. Before Singapore: The Emergence of Malaya and the East Indies on the World Scene

A. The Rise and Fall of Sri Vijaya.

The history of Insular Southeast Asia, of which Singapore is geographically the center, is one of geography stimulating trade and trade stimulating migration. The location of Malaya, the Indonesian archipelago and the strategic straits of Sunda and Malacca, coupled with the monsoon winds, had defined the region as a center of trade and meeting place of empires from before recorded history begins.

The geography and climate of the tropics endowed the region with rich natural resources. In earliest times the treasures of the region were the spices of the Moluccas, the islands to the east of Java. The first spices from the Mollucas found their way to China by sea where they were traded for silks and other items produced by Chinese artisans. Some of these spices eventually found their way to Europe over the Silk Road by caravan.

The huge profits that these spices brought in the European market encouraged the Arab traders, who were the middlemen in this commerce, to venture eastward by sea in search of the source of the spices. Initial voyages of these early traders brought the Arabs to India, where many of them settled. By the fourth century successive generations of Arabs had learned the secret of the monsoon winds. Blowing from the southwest in the summer as the continental land mass of Asia was heated by the summer sun and reversing their flow to northeasterly in the winter, these winds enabled the Arabs navigators to reach the South China Sea and the spice islands of the Moluccas by way of the Strait of Malacca, between peninsular Malaya and Sumatra.

Here they conducted their trade and awaited the changing winds to return with their cargoes to the ports of the Red Sea and the Persian Gulf.

This path to the east became known as the spice route, the maritime counterpart of the famous Silk Road through central Asia. The Arabs were followed by Indian traders from the Coromandel coast in southern India. The Indian traders came in huge ships capable of carrying hundreds of tons of cargo. By the tenth century the Chinese had begun to voyage to the south, also in search of trade, and the region had truly begun to acquire the status as the crossroads of Asian trade.

As these traders plied this new route they would put in along the western coast of Malaya and the northern coast of Sumatra to take on water and provisions. There they found riverine settlements of the Malays, the "native" racial group of the region. The bounty of the tropics provided the coastal Malays with a relatively secure existence, subsisting on fishing and gathering, relatively free from want. There were numerous aboriginal groups throughout the Malay peninsula, Java, Sumatra and the remainder of the archipelago. The Malays, as we know them today, are the result of intermarriage of migrants from the Asian mainland with the tribes in the islands of the archipelago, and later with Indians and Arabs.

As the trade expanded, year after year, merchant ships coming from the east and west frequented the villages which provided secure anchorage and reliable resources for re-supply. The vagaries of the monsoon winds and the growing commerce encouraged permanent settlement of a merchant, or trading-agent class, in order to coordinate the east-west commerce between the Indians and Arabs of the west with the Chinese junks coming from the east. A number of trade ports began to develop which featured a more or less permanent commercial community. The once isolated and fragmented peoples that inhabited the peninsula and archipelago were exposed to the world at large, the great civilizations of the Arabs, the Indians and the Chinese. Until the arrival of the Portuguese in 1509, the region would flourish under these influences and develop institutions modeled and influenced by these great Asian and Middle Eastern civilizations. The simple lives these tribes lived along the rivers were to come to an end forever.

While there were three groups of traders active in the region, not all equally influenced the early development of regional institutions. The Arabs and Chinese were more strictly commerce oriented and did not mix with the native groups to the extent that the Indians did. Whether this was the result of geographic proximity, cultural chauvinism, racial affinity or the more organized and exportable social system of the Indian civilization in the pre-Muslim era is unclear. What is clear is that the Indian political system of government by rajas and caste system was clearly the earliest imported organizational system which was ascendant in the region. Indian merchants who came to Malay ports lived among the Malays, intermarried and raised families. The social organization of the time in Malay villages provided entry into the village hierarchy system of "headmen" by marriage[29] , and doubtless many of these Indians, because of their relative wealth and superior level of knowledge, gained access to local leadership in this fashion. Coming from a tradition of centralized leadership of the rajahs in India, these Indians acquired more prestige in local societies and began to follow the pattern of expanding their influence, consolidating their control over strategic ports. This was a strategy to generate a base of wealth to support a court system like that they had known in India. The first Indians who arrived in the region were Buddhists who brought priests to the region to teach the religion. These were later followed by Hindus who brought Brahminism, with its veneration of the rajahs as gods, to the region. Using Indian warriors, who could easily dominate the more backward native Malays, these emerging rajahs began to build kingdoms centered around the commerce of the region. By controlling the ports and anchorage the rajahs generated a comfortable existence by levying customs duties on the ships using the ports and controlling the businesses related to the service, provisioning and protection of shipping. Competition and warfare among competing rajahs for regional hegemony led eventually to the emergence of the only great Asian maritime empire, Sri Vijaya.

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[29] David P. Chandler, William R. Roff, John R.W. Small, David Joel Steinberg, Robert H. Taylor, Alexander Woodside, David, K. Wyatt, *In Search Of Southeast Asia*, ed., David Joel Steinberg, (Honolulu: University of Hawaii Press, 1987), p.26.

Malay tradition relates that the cradle of the empire was Palembang, in south Sumatra. Its rulers were styled Maharajah in the Indian tradition. One of the earliest known specimens of the Malay language is an inscription in the Venggi script of southern India, dated 682 A.D., which records an attack on Java by the forces of Sri Vijaya. Records of a seventh century Chinese pilgrim, I-Tsing, record a visit to Palembang and the annexation of the "Melayu" country (thought to be in the area of Jambi in northeastern Sumatra) by Sri Vijaya. Sri Vijaya was a Buddhist empire. A Sanskrit inscription, discovered at Vieng Sa in southern Thailand records the erection there of Buddhist buildings in 775 A.D. by the order of the Maharajah of Sri Vijaya, "of the dynasty of the king of the mountains."[30]

Independent accounts from Chinese, Indian and Arab records from the early eleventh century indicate that Sri Vijaya, then at its height, dominated the Malay peninsula, Sumatra, and extended its influence heavily into Java, introducing Mahayana Buddhism to that island. Sung Dynasty records include the names of Sri Vijaya rulers and mentions embassies from them to China in 1003 and 1008. Chao Ju Kua, writing about 1225, tells that Palembang claimed suzerainty over the majority of the Malay peninsula and as far westward as Ceylon.[31]While the efficacy of these claims does lack clear historical confirmation, what is certain is that the Sri Vijaya empire was a far flung and great maritime empire that dominated the region of archipelagic Southeast Asia for the better part of five centuries, until it declined in the late fourteenth century.

At the center of the great empire lay a tiny island at the base of the Malay peninsula. According to legend recorded in the *Sejarah Melayu* (*Malay Annals*), a Prince of Sri Vijaya, Sri Tri Buana, on a voyage of adventure from the court at Palembang through the Riau islands, landed on the uninhabited island in 1299. Upon observing a beast that one of his attendants, based on the legends of his youth, took for a lion, named the place Singapura, which means "city of the lion." The Prince resolved to build a city and establish his own court there.[32]

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[30] *Malaya The Straits Settlements and the Federated and Unfederated Malay States*, ed. R.O. Winstedt, (London: Constable and Co, Ltd., 1923), p.126.
[31] Ibid, p.127.
[32] H.F. Pearson, *A History of Singapore*, (London: University of London Press Ltd., 1956), p.24.

The late thirteenth and early fourteenth century witnessed an expansion of trade over the spice route as "geopolitics" began to make itself felt, however indirectly, in Southeast Asia. The Mongol conquest of China had been completed, for the most part, by the mid-thirteenth century. Under the great Kahn's grandson, Kublai Khan, China became increasingly open to the civilizations of the west. The journey of Marco Polo was but one of many examples of the increasing accessibility to the once secluded "Middle Kingdom." Although Marco Polo's travels to China are perhaps the most well known, European contact with China under the Mongols was minuscule compared to that of the Arabs in West Asia.[33] Both the caravan trade along the Silk Road and the maritime commerce of the Spice Route exploded while the Mongols controlled China. Kublai Khan sent out many emissaries during his reign, both overland and by sea. Marco Polo returned to Europe by sea using the spice route, passing through the strait of Malacca and stopping in the Riau Islands and Sumatra in 1292. [34]

As sea commerce increased, the port cities of Malaya and Sumatra, including Singapura, prospered and expanded. More resources were identified and exploited. Chinese records indicate that tin from Sumatra became part of the expanding commerce. The Sri Vijaya empire, wealthy but overextended through its vast but somewhat isolated coastal settlements, began to come under pressure from the warlike Javanese kingdom of Majapahit. No empire builders, the Javanese sacked the ports of Sri Vijaya and conducted piracy in along regional trade routes. Throughout the mid-fourteenth century the Majapahit continued to expand their radius of action throughout the archipelago and along the peninsula. Singapura, which Had been flourishing as a port in this era of expanding trade, was frequently attacked and, according to some accounts, was sacked and destroyed in 1376.

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[33] John K. Fairbank, Edwin O. Reischauer, *East Asia Tradition and Transformation*, (Boston: Hought Mifflin, 1989), p.174.

[34] Pearson, p. 36.

As Sri Vijaya declined under pressure from Majapahit, it also came under pressure from the Thai kingdom of Ayutthaya to the north, which was expanding its influence down the Malay peninsula. During this time, Singapura was rebuilding from the destruction of the city by Majapahit and existed largely as a haunt of pirates. The island apparently became a nominal vassal state of the Thai Ayutthaya empire, with a Thai installed ruler. The *Malay Annals* record the arrival, around 1388, of a King Paramesvara, fleeing from Majapahit attacks on Palembang. Granted asylum by the ruler of Singapura, the King subsequently murdered the Singapura ruler and seized power. The Thais reacted rapidly to the murder of their vassal and destroyed the city again in 1391, driving the population into the jungles of the island and the southern Malayan peninsula in what is now the state of Johor. By 1400 the days of an Indian inspired empire in Southeast Asia were at an end.[35]

The decline of Sri Vijaya through the fourteenth century occurred in the same time period as the Mongol hegemony began to falter in China. Kublai Khan died in 1294 and none of the leaders who followed him were able to maintain the same degree of political control. By 1368 the Mongols had been driven out of China and the Ming Dynasty established. The Mings isolated China from the outside world, closing the Silk Road. The period of openness under the Mongols had given the peoples of the west an appetite for the goods of the Orient and stimulated the traders of the European nations to search for a way to continue this profitable commerce. With the silk road closed, by the fifteenth century the maritime spice route became the only way to conduct east-west trade.

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[35] Ibid, p. 30.

B. The First Malay Empire at Malacca, Islam in Southeast Asia.

The earliest reference to Malacca dates back to 1328 with a reference to the Majapahit capturing a prisoner at the fall of Jambi in Sumatra who was a resident of the "Malacca lands." Siamese records dated in 1360 refer to "Malaka" as a tributary vassal of the Thais.[36] Malacca was probably for many years one of the trade ports of the region, founded sometime in the middle of the thirteenth century, but not rising in importance unit about a hundred years later when the refugees from Singapura arrived after the sack of the city. During the latter part of the twelfth century, the Javanese Majapahit dominated the Straits of Malacca. Only after the death of the great Majapahit conqueror Hayam Wuruk in 1398 did the Siamese begin to exercise more influence.

The ruler of Malacca, as identified by Chinese accounts as Permaisura is probably the same King Paramesvara of the *Malay Annals*. The ruler and the peoples there were mostly Hindu. Chinese records of the time record an imperial mission to Malacca delivering gifts and a return tribute by the Malaccan ruler to the emperor of China. Malacca established itself as the new center of regional trade, its people making their livelihood by trade, fishing, and mining tin. There were great warehouses built for the use of Chinese junks which brought porcelain, beads and taffetas. Malayan resin, camphor and ebony were shipped from Malaya to China and the Middle East.

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[36] *Malaya*, p.129.

About 1409, one hundred years before the coming of the first Europeans, the ruler of Malacca converted to Islam. While Islam had been present in the region for many years, indeed it had be noted by Marco Polo when he visited Sumatra and the Riau Islands in 1292, it had apparently never received the sponsorship of a significant regional leader. The first recorded instance of an Islamic "sultan" in the area was the Sultan Maliku's-Salleh of Pasai a small Sumatran port who died in 1297. Evidence from the tombs there indicated that the first Muslim missionaries were from India.

The reason for the change of faith in Malacca is attributed by many analysts as being the result of the presence there of wealthy Indian Muslim traders who converted the Malays to unify them politically. Once a degree of Malay political unity was established the Indian trading community encouraged the Malays to throw off the yoke of Siamese rule.[37]As a result of these developments Malacca became the undisputed center of the Malayan trade as well as the spiritual center of the region. Malacca was the first truly "Malayan" political unit and although it was a relatively short lived, the influence it played in providing political and spiritual unity to Malays had a significant impact on subsequent regional events.

Islam spread quickly and various Islamic political centers developed along the western coast of Malaya and northern Sumatra. The rulers took the title of Sultan and these sultans grew rich on the customs trade. By all accounts, although Islam provided an important unifying influence in the region, most Sultans were cruel, corrupt and despotic rulers.[38] The *Malay Annals* describe many instances of this cruelty; a young princeling stabbing to death a playmate because he had knocked off his hat, the murder of a noble and aged minister who refused to offer his daughter to a sultan.

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[37] Ibid, p.131.

These early accounts of the arbitrary and absolute power these local monarchs exercised almost six hundred years ago has its modern counterparts in Malaysia where the Sultans remain largely above the law and incidents such as a Sultan clubbing to death a caddie with a golf club without legal recourse still remain.[39] There are other accounts of corruption, intrigue and cruelty that indicate that the prosperity that trade brought coupled with Islamic centralized authority resulted chiefly in a corrupt and indigent ruling class and a decline of the industrious trader chiefs that preceded them. There is speculation among historians that injustice, oppression and inefficiency might have destroyed Malacca as the center of regional trade had it remained under Malayan rule.[40]What might have been will never be known as the advent of European influence was to bring changes to Southeast Asia which would put an end to the brief period of Malay sovereignty and more broadly Asian control and primacy for centuries to come.

Prior to the arrival of the Europeans, insular Southeast Asia was well established as the center of regional commerce. The commercial infrastructure was well established as was the resource base upon which this trade was based. Migration to the region by the representatives of the great east, south and middle Asian empires was similarly well established. Patterns of political involvement on the part of these immigrants had also begun to emerge. The Chinese remained largely apolitical, restricting themselves to commerce, living in small segregated metropolitan communities. This was likewise largely true of the Arabs for the majority of the pre-European era. The conversion of the indigenous Malays by Indian Muslims and the ascendance of Malacca as the regional spiritual, political and economic center provided and important unifying element just prior to the arrival of the Europeans.

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[38] For a detailed discussion of political organization under the sultans see David P. Chandler et. al, pp. 76-82.

[39] For an account of questionable behavior on the part of modern sultans and ongoing efforts to limit the power of the sultans in Malaysia see Michael Vatikiotis, "Bending the rulers," *Far East Economic Review* (hereinafter *FEER*), December 24-31, 1992, p.16 and Michael Vatikiotis, "Battle royal," *FEER*, January 21, 1993, pp. 10-11.

[40] *Malaya*, p.132.

It is important to note that the Islam of Malaya is different from that of the more fundamental groups in the Middle East. A large part of the attraction of Islam as it was brought from India was its mystic qualities. It was introduced largely by Sufi mystics, who also brought with them a version of the faith that included some of the Hindu qualities which had already been introduced to the region before the time of Sri Vijaya. The hints of pantheism, worship of saints and their graves and mystic incantations undoubtedly made the acceptance of Islam easier for the superstitious Malays. The Islamic tolerance for native custom, as long as it did not violate the basic tenents of the faith, was in large part responsible for its rapid spread as well as the unique version of the faith that still exists in the region. A regional saying describes the situation succinctly,"Scratch a Malay Muslim and you will find a Hindu; scratch the Hindu and you will find an animist."

C. The Europeans Before Raffles.

About the time of the founding of Malacca in Asia, the Portuguese were rising to prominence in Europe and the great age of discovery and imperialism was beginning. The Portuguese founded the first European colony in Morocco. Portuguese sailors began to range further and further from their shores, discovering the Madeira islands, the Canaries and the Azores, enabling the exploration of the West Coast of Africa. In 1486 Bartholomeu de Diaz reached the Cape of Good Hope, so named by the Portuguese king because it represented the hope of reaching by sea the famed East Indies, their spices and the riches of the Orient.

At that time, of course, there was no direct sea route to the east. The commerce of the Orient came either overland on the silk road, or by partial maritime routes either via the Indian Ocean thorough Syria and Mesopotamia or via the Red Sea and to the Mediterranean by way of Egypt. As has already been noted, the expulsion of the Mongols from China severely curtailed silk road traffic. Another geopolitical event, the expansion of Turkish empire, further restricted European trade with the East. The fall of Constantinople to the Turks in 1453 effectively closed that trade route, leaving only the Red Sea commerce route open.

The time of the Crusades acquainted the Europeans with the commerce of the East and the demand for products like pepper, cinnamon, cloves, ginger, nutmeg and silks of the Orient, as well as Middle Eastern cotton, glass and Persian rugs created opportunities for traders in the Middle East and southern Europe. While the European nexus of trade remained in the Mediterranean, Italy was in the most favorable position to secure the benefits of that trade. Venice had become the first great European trading city by securing a monopoly of trade with the Sultan of Egypt. The fall of Constantinople only increased the power of Venetian traders.

Twelve years after the discovery of Diaz, Vasco da Gama reached Calicut in India. In their press to the east, the Portuguese were harassed and hindered by the Arabs who were well aware of the threat to their monopoly of commerce. The religious differences between the devout Portuguese Catholics and the Muslim Arabs lent an ideological component to the struggle that made the encounters between the parties particularly bitter, with horrible cruelties practiced on both sides.

The first Portuguese viceroy in India, Don Francisco d'Almeida, envisioned only the establishment of commercial enterprise in India and opposed dreams of Portuguese empire in the East, reasoning that Portugal, with a population of only a million, lacked the human resources for such an endeavor. D'Almeida was a advocate of seapower, reasoning that as long as the Portuguese could control the sea their commerce would be safe. The second viceroy, Affonso d'Albuquerque, was, by contrast, an empire builder. He advocated fortification of the Portuguese trading ports and the use of force to coerce Eastern rulers to acknowledge Portuguese power. D'Albuquerque laid the foundations of empire by conquering Ormuz on the Persian Gulf and Goa in India. [41]

A group of five Portuguese ships arrived in Malacca in 1509 under the command of Diego Lopez de Sequeira. The *Malay Annals* recount the arrival of the "White Bengalis" and the reaction of the residents there. The *Annals* recount that the residents crowded around the Portuguese, pulling their beards, patting their heads and marveling at the steel helmets the soldiers wore. The Portuguese captain exchanged gifts with a Malay chief, presenting him with a golden chain, nearly causing an incident when he himself put it over the head of the sacred chief. The chief's followers, to whom this seeming familiarity was a great insult, reacted angrily, but were chastened by the chief who instructed them to "Take no notice; for he is a person with no manners."[42]

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[41] *Malaya*, p. 134.

The Portuguese attempted to establish themselves in the Malacca trade, building a warehouse (godown in the vernacular of Asian trade) for that purpose. This provoked the ire of the established Indian and Arab traders in the community. The leaders of the resident trading community apparently encouraged the Malays to attack the Portuguese godown, killing and capturing some of the Portuguese. De Sequeira, correctly assessing the relative power equation in the face of the attacks, retreated with the remainder of his forces to his ships and sailed back to Goa.

The Viceroy in Goa, d'Albuquerque, assembled a fleet of nineteen ships on which he embarked some 800 Portuguese and 600 Indian soldiers to avenge the treatment of De Sequeira. In the summer of 1511 the Portuguese sailed into Malacca and demanded the return of the Portuguese prisoners. When the Sultan delayed, the Portuguese burned some huts on the harbor and some ships that lay at anchor. The prisoners were surrendered. D'Albuquerque demanded compensation for the destruction of the godown and permission to build a fortified godown to enter the regional trade. These demands were refused. On the first of July, 1511, the Portuguese forces landed and after ten days of fierce fighting, claimed control of Malacca, driving the Sultan and those of his followers who remained into the jungles of Johor. The age of European imperialism had arrived in Southeast Asia.

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[42] Ibid p.134.

The Portuguese fortified the city and brought the "civilization" of Europe to Southeast Asia. Malacca became the center of the Portuguese empire. D'Albuquerque minted a tin currency and brought a Catholic Bishop to establish the church there. There was a palace for the Bishop and five Catholic churches in the city. Missionaries came and began to spread the faith under the auspices of Francis Xavier, the famed "apostle of the East", who oversaw the effort from the church of Our Lady of the Annunciation in Malacca.

Under the Portuguese Malacca became the port of all trade with the Peninsula and the archipelago and a port of call for all ships to and from China. While the Malays attacked Malacca on occasion, the Portuguese garrison repulsed all these efforts and kept the Portuguese flag flying. From Malacca the Portuguese expanded their trade, building godowns on Java and Borneo and taking possession of the Moluccas and control of the spice trade. The Portuguese took Macao as a base for China trade.

The Portuguese dominance of the Asian trade and its colonizing zeal did fall prey to the very weaknesses anticipated by the first Indian Viceroy. Their small population's best men fell victim to conflict and tropical diseases. Once again the geopolitical events influenced events in Southeast Asia. Spanish ascendance in Europe was altering the balance of power profoundly. In 1580 the Spanish seized Portugal and used her fleet as part of the great Armada which perished in the attempted invasion of England. With Portuguese power and influence in precipitous decline and Spanish hegemony over Holland on the wane as well after the debacle of the Armada, the Dutch and the British began to expand their own trading efforts in Asian commerce.

The first Dutch voyage to the East Indies departed Amsterdam in 1595. Four Dutch ships under Cornelis de Houtman, after a fifteen month journey of severe hardships, reached Java. In 1602 the Dutch East India Company was chartered giving the company a monopoly of the Dutch trade in the East Indies. The Dutch challenge to the Portuguese was immediate and profound. In 1602 they established an outpost in Borneo and left a representative in Johor. Dutch navigator Jacob Van Heemskerk, who had delivered the Dutch representative to Johor, waylaid a Portuguese caraque returning from Macao and took its cargo to Amsterdam where it fetched a reported price of three million guilders. [43]

The Dutch challenge to Portuguese supremacy gave them great prestige in the eyes of the Malays who had suffered mightily under Portuguese aggression. The Malays viewed the Dutch as a potential ally in their battle against the Portuguese. A Malay envoy was, in fact, sent to Holland to negotiate and alliance but perished on the voyage. The Dutch dispatched Admiral Cornelius Matelief to Malaya to conclude a pact with the Malays. In May of 1606 the Dutch concluded a treaty with the Sultan of Johor in which the parties agreed to cooperate in expelling the Portuguese from Malacca, which would go to the Dutch. The Malays were to receive the territories adjoining the city and an assurance that no European would be permitted to land in Johor without the sanction of the Governor of Malacca. When Matelief defeated the Portuguese fleet but failed in his attempt to take Malacca, the treaty was amended to allow the establishment of a Dutch trading station in Johor. The center of Dutch efforts regionally was established in Java at Batavia (modern Jakarta) and the arrangement with Johor was seen as a "fall back" position should the Batavia settlement fail. In the early 1600's this was still very much a possibility as the Acheen of eastern Sumatra, who had assumed the mantle of leadership of the Malay-Muslims following the fall of Malacca, were beginning to expand their influence regionally directing their efforts against the hated Portuguese Catholics.

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[43] Ibid, p.137.

The Acheen, in response to what they perceived as collusion by the Johor Sultanate with the "Europeans" attacked and subjugated the Sultans of the southern peninsula, leading the rulers of Johor, Perak, and Kedah into captivity in 1613. In addition to the Muslim leaders, the Acheenese also carried off the Dutch residents established in these courts. Following the death of a great Acheen leader, Mahkota 'Alam, the Johor Sultanate revived and in 1641 the Dutch and Malays besieged the fort at Malacca and the town finally fell to their combined forces. [44]

The fall of Malacca coupled with events in Europe led to a precipitous decline in Portuguese power in the East Indies and the ascendance of Dutch maritime and commercial power. For the hundred years following the fall of Malacca, the Dutch were the leaders of European commerce in the region. In 1642 the Dutch treaty with the Raja of Kedah, on the northwestern coast of the Malayan peninsula, gave the Dutch rights to half the tin produced in his kingdom at a fixed price and excluded traders from other nations without Dutch permission. The Dutch concluded other such treaties with local rulers in an attempt to gain a monopoly of the expanding tin trade. While the Dutch had difficulty determining the exact political relationships which would enable them to effectively control the commerce of the region, they continued to expand their trading network throughout the late seventeenth century and early eighteenth century.

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[44] Ibid, p.137.

During the eighteenth century the Bugis, an island people from the Celebes in the eastern archipelago, challenged the Dutch in Johor and in the region of the Straits, capturing Riau and establishing themselves in Selangor on the western peninsula. At the same time that the Dutch had to deal with this indigenous challenge to their dominance, the English began to attempt to secure a place in regional commerce.

The first Englishman to transit the Straits of Mallaca was Sir Francis Drake during his circumnavigation in 1579. Following the return of the first English privateer expedition to the region, which took Portuguese prizes in the region of Penang and returned with their cargo of pepper and other spices, the English East India Company was formed in 1600. Their first expedition to the region landed at Acheh in Western Sumatra in June of that year and concluded a commercial treaty with its ruler. The challenge of the British to the growing Dutch monopoly of trade grew increasingly bitter. In 1622 the Dutch massacred English traders in Amboyna in the Moluccas. The Dutch ousted the British from the foothold they had established in Java to coordinate their pepper trade. In the late eighteenth century, the last remaining English outpost was at Bencoolen in eastern Sumatra, a location ideal neither for trade or the health of those posted there.

Among the many disadvantages of Bencoolen was the inadequacy of the harbor to protect ships there from the northeast monsoon. Francis Light, a former Royal Navy officer who had taken employment with the East India Company, had established himself as the company's representative in Kedah on the northwestern peninsula[45]. The Sultan of Kedah, seeking protection from the Bugis in the south and the Siamese from the north, indicated to Light that he would be willing to conclude a treaty giving the English exclusive access to the region in return for English protection. Unable at first to conclude a satisfactory arrangement, the English, in 1784, tried to establish a settlement at Riau, to the south, but were forestalled by the Dutch. During this period of England's history in the East, the British, having been recently expelled from some of its colonies in North America, were in an expansive mood in this theater of Empire. Lord Cornwallis, expelled by the upstart colonists at Yorktown, had gone on to become the Governor in Calcutta and galvanized the expansion efforts of the British in Southeast Asia.

In 1786 Light was able to get a grant from the Sultan of Kedah for Penang Island, off the northwestern Malayan coast, perhaps by implying that the English were in fact prepared to assist him against his enemies. Light pressured the Sultan for a formal agreement to cede the island to the English in exchange for monetary compensation, but the Sultan refused and tried to retake the English outpost by force. Light and his forces defeated this attempt, resulting in a treaty settlement which ceded Penang in perpetuity (for a cash subsidy) and excluding all other European nations from settlement in Kedah. The English had established a firm foothold on the peninsula from which to challenge Dutch hegemony.[46]

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[45] Pearson, p. 93.

At the turn of the century (1800), six years after Light's death, the Sultan ceded a large part of the mainland across from Penang for an additional cash subsidy as the company began to realize the value of the new outpost. Naval officers extolled the virtues of its excellent harbor. A Colonel Wellesley, who later became the Duke of Wellington, visited Penang in 1797 while passing through the Straits and upon his return to India highlighted the strategic utility of the island situated at the top of the Straits. The company upgraded the status of the settlement in response to Wellesley's report and the first Governor arrived in 1805.

Even as the English began to expand their influence in Malaya, events in Europe again influenced events in Asia. The Napoleonic wars had driven the court from Holland and the English occupied Malacca in 1795. The Dutch remained in Riau and Perak (on the western Malay coast) but under the control of the British crown. The peace of Amiens restored Malacca to the Dutch in 1802. When war again broke out in Europe the Company, under the orders of the crown, reluctantly continued to maintain the settlement at Malacca, aware it would eventually be handed back to the Dutch. Under Company pressure, the English government agreed to the destruction of the fortifications at Malacca and following that, the evacuation of the population there to Penang.

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[46] David P. Chandler et. al, p. 140.

The order for the evacuation of Malacca aroused the sentiments of a young assistant to the Governor of Penang. Thomas Stamford Raffles had come to Penang in 1805 as assistant secretary to the Governor. Raffles was a visionary and a student of both regional history and language. Passionately patriotic, Raffles was an empire builder, dedicated to succeeding in the competition for regional commerce, Raffles deplored the idea of abandoning the Malacca settlement, connected as it was with a prosperous agriculture community. Raffles arguments proved persuasive and although the fortress was destroyed, the evacuation order was rescinded.

When peace again came in Europe the Treaty of Vienna 1816 again returned Malacca to the Dutch.[47] The Dutch returned first to Riau and in 1819 to Malacca. It was in a strategic effort to win the game of commerce that the tiny island at the base of the Malay peninsula was to emerge from its 400 years as a forgotten backwater and overgrown fishing village to rise to prominence. The young secretary of the Governor of Penang, Thomas Stamford Raffles, was to become a name long remembered for making a visionary dream into dynamic commercial reality.

D. Summary of Events Prior to the Founding of Singapore.

Insular Southeast Asia by the beginning of the ninteenth century had become the crossroads of the burgeoning trade between the Orient and Europe. This role as a center of global trade was only an expansion of the earlier role that it had played in a more regional trade confined first to East Asia, then on to South Asia and the Middle East.

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[47] Ibid, p. 141.

Diplomatically, the region had witnessed a process in which regional powers competed for the control of commerce, resulting in the rise and fall of the only truly great Asian maritime empire, Sri Vijaya. The first "empire" in Southeast Asia, Indian-inspired Sri Vijaya had established formal contacts with the great Chinese Empire in the East and had brought a sense of unity to a region that had previously had no regional identity. With the rise of Malacca and other sultanates subject to it, the local leaders took to diplomacy by treaty and attempted to secure the most advantageous results for their kingdoms from the arriving Europeans. These early versions of power politics and accompaning small state survival tactics were precursors of the situation that Southeast Asia would face from that time forward. While early nationalism was nearly nonexistent or, at least, limited to the very personalized concerns of the Islamic rulers and their immediate retinue, the structures that would eventually grow to represent the these peoples internationally had begun to appear.

Politically, Sri Vijaya united certain elements of archepelagic Southeast Asia, introducing both Buddhism and Hinduism to the region and importing the system of government by rajahs. The decline of Sri Vijaya in the face of pressures from both Java and Siam eventually led to the first truly Malayan political entity, under the banner of Islam, at Malacca. While the arrival of the Europeans would have a profound effect on the relative power of the competition for primacy regionally, the system of government by sultans and Islamic political influence and structures in these sultanates remains active to this day in Malaysia, and to a much lesser extent, is active in Indonesia as well. While the political order was confused and difficult to determine, as evidenced by the difficulties the Dutch encountered in trying to secure a monopoly of the tin trade, it did contain the seeds of a real organic polity. In this early phase of European involvement, notions of imposing European type political institutions or government services had not yet been introduced regionally. It would be the English who would demonstrate this proclivity in the years to come.

Economically,the gifts that nature endowed upon the region, the spices of the Moluccas and the Indonesian Archipelago, the tin of Sumatra and peninsular Malaya and the hardwoods of the jungles in both regions, so valuable for shipbuilders, had been identified and exploitation had begun. The migratory patterns that would characterize the region were firmly established. These patterns would expand remarkably as the region continued to develop, requiring more labor to continue resource development and extraction to the metropolitan centers which came to dominate the region. Customs duties and control of maritime comerce, long the basis of empire in the region, passed from the hands of local rulers to the control of Europeans.

In defense, the supremacy of military organization from outside the region dominated the disorganized, fragmented and primitive Malays. This first resulted in Indian dominance, albiet in the hands of local rulers, followed by the dominance of the region by the technically superior Europeans. Piracy and maritime commerce raiding, long a regional economic enterprise was well established and was, in fact, abetted and participated in by European invaders. While the introduction of European naval power protected their ships from native raiders, to a certain extent, piracy and exploitation of sea trade remined a regional feature and a central focus of defense efforts as did the defense of the critical ports of the region.

III. 1819-1942:The Era of Empire

From Raffles to Percival

A. Introduction

Singapore was born to serve the commercial interests of the expanding British empire. The discussion which follows will examine economics first and how the economic utility of the tiny island at the base of the Malay peninsula was recognized by a remarkable British empire builder, resulting in the founding of modern Singapore and its enduring tradition as a free port. The development of the entrepôt economy of the island during the era of empire served as the British base for the expanding East-West trade. As the riches of the Malay peninsula became the object of an aggressive breed of entrepreneurs, the economy expanded explosively, and great fortunes were made. It was truly wealth that built Singapore and Malaya, and the distribution of that wealth has been a constant source of contention during Singapore's history.

By the beginning of World War II, the structure of Singapore's economy and its linkage to that of the world was firmly established. The infrastructure to support the extractive economy and communication with the metropolitan power was highly developed. The development of the hinterland and the massive immigration of Chinese and Indians that came to extract that wealth changed forever the demographic face of Malaya and Singapore. This mass migration would result in a situation where the distribution of economic power would starkly contrast with the distribution of political power when the British finally departed.

The political system that the British installed to run this new economic powerhouse would be centered in Singapore and the coastal cities of the Straits Settlements. As the peninsula was opened the British would develop a system of governance which protected the traditional Malay society and strengthened its Islamic sultanates' legitimacy while effectively controlling the administration of government behind a cloak of local leadership. The Chinese would dominate the urban economic centers, particularly true for Singapore but would exercise little political power, except when their interests coincided with those of the British. The growing nationalism of China in the twentieth century was felt throughout British Southeast Asia and was repressed but not extinguished by the colonial masters.

The geo-political importance of the colony and its position as the nexus of the East-West trade routes permeated the affairs of the British as they played "the Great Game" of world politics. Each event in the Empire and the changes wrought in the world political scene had an effect on the tiny island trading center. By the beginning of the Second World War Singapore would come to represent the Empire east of India and the link to British interests in China. The strategic location of Singapore and its small size would seem to forever doom it to the status of pawn in the geo-political arena, the option to not play in the chess game of world politics being removed in perpetuity. Singapore has attempted to strengthen its position diplomatically and it has been largely successful in becoming a much larger player on the world stage than its miniscule size might otherwise have allowed. A pawn no longer, Singapore exerts significant political influence regionally and internationally.

The defense of the outpost of empire and its role in the broader defense of the "Empire in the Far East" was firmly established when war broke out in 1941. The fall of Singapore, "seventy days' conquest which amazed and shocked the democratic world"[48] marked the end of the epoch of British pre-eminence as a sea power. That the British failed so miserably to meet the commitment to defend "fortress Singapore" destroyed the myth of European superiority in Asian eyes forever. Though the British would return following the war, the days of colonial rule were numbered. To their everlasting credit, they recognized that fact which the French and Dutch did not.

The importance of this phase of Singapore's development cannot be overestimated. It became a center of world commerce that it remains today. It acquired its unique Chinese character and was set apart from its geographic parent, the Malay peninsula. What had once been an unimportant and forgotten part of Malaya became a tiny but important neighbor to Malaya, differing in ethnic makeup, economic structure and political consciousness. With the end of empire, the contradictions that the empire held within it would become all too apparent.

B. Economics: The Crossroads of the East and the Riches of Malaya.

The foundation of Singapore was based on the factors that have historically driven the development of its institutions, the economic utility of the island's location at the nexus of East-West trade and its functional utility as an entrepôt for an extended regional hinterland. From the outset, Stamford Raffles, the founder of Singapore, saw the utility and value of the tiny overgrown island at the base of the peninsula.[49] Merchants from the Middle East, India and China, drawn to the area by the spices of the Moluccas, found rich deposits of tin and hardwoods perfect for shipbuilding. The fabled spice trade of the East that, in large measure, provided the impetus for the great European age of discovery was simply the tip of the iceberg of the lode of regional wealth.

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[48] Edward Maurice Glover, *In 70 Days, The Story of the Japanese Campaign in British Malaya*, (London: Frederick Muller Ltd., 1946), p. 7.

Raffles also possessed an unprecedented vision, especially in Southeast Asian terms, for ensuring the success of the new trading post. Raffles describes his vision in an early report concerning Singapore;

> Timber abounds in the island and its vicinity; a large part of the population are already engaged in building boats and vessels, and the Chinese, of whom some are already engaged in the smelting of ore brought from the neighboring islands and others employed as cultivators and artificers, may soon be expected to increase in number proportionate to the wants and interests of the settlement. *By maintaining our rights to a free commerce with the Malay States and inspiring them with a confidence in the stability of it we may contemplate its advancement to a much greater extent than has hitherto been enjoyed.* Independently of our commerce with the tribes of the Archipelago, Singapore may be considered as the principle entrepôt to which the native traders of Siam, Cambodia, Champa, Cochin China and China will annually resort. It is to the Straits their merchants are always bound in the first instance.... *One free port in these seas must eventually destroy the spell of Dutch monopoly,* and what Malta is to the west that may Singapore be to the east. [Italics added][50]

Raffles' vision is remarkable. It foresees the entrepôt function that a great regional port provides and outlines a strategy to make that port Singapore. Previous traders, Arab, Indian and the first Europeans, the

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[49] For an account of how and why Raffles acquired Singapore for the British East India Company, see the sections on politics below, p. 57 and diplomacy, p 76, respectively. While the motivation for establishing an outpost at Singapore was primarily economic, the implications of such a move had significance in both the local and international political order. The present section will concentrate strictly on the economic motivations of the British and the economic significance of the founding of Singapore.

[50] *Malaya*, p. 10.

Portuguese, had viewed the region as a place to extract from, not invest in. This was true first of the spice trade and later in tin. A population dedicated to commerce and wealth building was non-existent. The Malays, as tribal riverine societies, living an isolated and relatively abundant life, had little need for wealth accumulation and the drudgery of work in the mines or on plantations. The advantageous location of the region with regard to the monsoon winds had developed it into a transshipment point for the goods, developing a limited entrepôt role, albeit largely based on goods from China and the Middle East and the easily retrievable spices of the Moluccas. Regional powers, Sri Vijaya and Malacca, the lesser Bugis and the first Europeans had looked upon commerce, if not directly in their control, as a source of revenue by customs extraction, piracy or privateering. The notion of eliminating these duties and developing a free port was a truly revolutionary concept.

The free port established in Singapore in 1819 was extremely successful. Singapore and its trade expanded rapidly. Within a single year the settlement was already earning revenue for the Company and by 1823 its trade had exceeded that of Penang.[51] As Raffles had envisioned, a migratory influx began. Malays from the peninsula, the Archipelago and the Bugis from the eastern islands brought their trading goods to the island and some remained as the settlement expanded. Arab traders, attracted by the free port, came and established trading houses. Indian traders came, as did many other Indians as "followers" serving the Company troops who came to defend the new settlement. And especially the Chinese came, to work growing gambier[52], enroute to the peninsula to mine tin, to work as coolies on the docks or transporting the products of commerce through the streets. By the time two pivotal treaties of 1824 were signed, securing British control of Singapore and its status as a free port, what had been a tiny overgrown jungle fishing village of perhaps 130 Malays and a small number of Chinese had grown to a trading center with a population of 11,000.[53]

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[51] Singapore Ministry of Communications and Information, *Singapore 1989*, (Singapore: Singapore National Printers Ltd.), p. 30.

By 1825 a new Malay leader, Temenggong Ibrahim, had taken control of the land grants given his father on Singapore, with whom Raffles had negotiated his original treaty for Singapore. Ibrahim encouraged the establishment of plantations and Chinese and Malay small hold planters experimented with number of different crops. Traditional crops such as gambier and spices were planted. More unfamiliar crops such sugar cane and cotton were tried, as well. The soil of Singapore eventually proved inadequate for intensive agriculture but these early efforts and their limited success led some of the Chinese planters to petition the new Temenggong for permission to begin clearing and planting in southern Johor. By 1835 Chinese gambier planters and others were active on the peninsula, clearing the jungle and establishing plantations in a number of different crops.

The first record of American trade with Singapore occurs just after the two treaties of 1824. Ships from the United States were restricted in their trade with the possessions of the British Crown. American ships could only trade in those ports specifically included in the Treaty of Ghent, signed in 1814, ending the War of 1812. In the free wheeling trade that exploded in

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[52] A plant used in tanning and medicines.
[53] Ibid, p. 39.

Singapore, the political considerations of the crown held little sway over the merchant community and the Governor of Singapore had been turning a blind eye to the harbor when American merchantmen called. In 1825 a captain of a British man-of war, who shared none of the merchant's affinity with the upstart former colonists, boarded and seized an American ship bound for Singapore, putting an end to "covert" American trade in violation of the treaty.[54]

What resulted from this action was a system of trade with the Americans putting in at the Riau islands of the Dutch and the merchants of Singapore bringing their goods to them there by small ship, over the fourteen miles of the Straits of Singapore. An American, Joseph Balestier, aware of the opportunities available in the East Indies trade, set himself up as the self-styled 'Consul at Raiu' to represent the interests of American traders. By 1834, Balestier, while still calling himself the Consul at Riau, moved to Singapore, and, much in the manner of the earlier attitude toward American ships trading in Singapore, the local authorities gave full credence to the story that the Consul at Riau just happened to live in Singapore although he rarely (if ever) visited his "office" in Bintan, the Dutch capital the Riau archipelago.

Balestier was a very popular figure in Singapore who took a particular interest in the farmers and planters. Balestier encouraged land reform laws to enable planters to develop the land. Balestier himself developed a small sugar cane plantation on the island and built a cane mill to process the sugar. Today, a legacy of the early American presence in Singapore is Balestier road in modern urban Singapore that runs past the site of his sugar plantation.

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[54] Pearson, p. 104.

In 1826, the East India Company combined Penang, Malacca, Singapore and Province Wellesley (a small area on the peninsula directly across from the island of Penang) administratively as the Straits Settlements. The Company moved the seat of government from Penang to Singapore in 1832. This was indicative of its increasingly central role in regional commerce. Two years later the British Crown passed legislation ending the monopoly of the East India Company in the China trade, resulting in a huge expansion of that trade and resultant pressure on the reclusive Chinese empire. Pressure on the Chinese to open their markets and the penchant of the British to finance their trade with opium led to the Opium War of 1841. This resulted in the opening of the treaty ports in China and acquisition of Hong Kong by the British. With the new outpost from which to conduct its China trade, many anticipated that the role of Singapore in the East India Company's trade would decline. The steamship, however, would more than make up for the trade that the new settlement in Hong Kong diverted from Singapore.

In 1845, the Peninsula and Orient Steamship Company[55] began service on an eastern route, with stops in Ceylon, Penang, Singapore and Hong Kong. The route represented a new kind of service, not primarily dedicated to trade but rather to establishing reliable communications for the expanding empire. The "mail steamers" as they were known were dedicated to fast and reliable service carrying both mail and passengers to the important centers of the Empire in the East.

The coming of the steamers, and, in particular, luring the Mail Steamers to include Singapore as a distribution center for mail and passengers required action on the part of the community leaders. The restricted harbor at the mouth of the Singapore river that required the large ships to lie out and be unloaded, loaded and provisioned by smaller craft running back and forth to the shore was inadequate for the quick turnaround times required to make steam traffic profitable and to meet the stringent demands for on time performance demanded by the mail steamers.

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[55] "Peninsula" refers to the Iberian peninsula which was the regional terminus of the line.

To relieve the local congestion, the P&O company bought land from the Temenggong and set up a coaling station and wharf on the southern shore of Singapore, across from the islands of Palau Brani and Palau Blakang Mati (now Sentosa island). The deep channel between these islands and the main island of Singapore was ideal for a deep water port and by 1852 the facility, known as North Harbor, had been completed. With this advance, Singapore became established as one of the key communications centers for the British Empire. That same year the company's service was extended from Singapore to Australia.

In spite of the neglect of the East India Company, which was much more concerned with the administration of India and trade in Hong Kong, the coming of the P&O steamers stimulated further private development in Singapore. In 1854, a Captain Cloughton, formerly the master of a trading vessel in the Oriental trade, completed the first dry-dock in Singapore's North Harbor, initiating the ship repair economic sector that still plays an important part in the economy of modern Singapore. By 1863 a group of local entrepreneurs had formed the Tanjong Pajar Dock Company and completed a second dry dock at what is now Keppel Harbor, bringing competition to the ship repair business.

Singapore obtained the status of Crown Colony in 1867 and the Suez Canal was opened in 1869. The shortening of the trade routes to the East, combined with the spectacular growth of steamship traffic, greatly enhanced the value of Singapore. Prior to the opening of the canal, the preferred route was around the Cape route for large cargo carriers. This resulted in higher traffic through the Sunda Strait that was well situated to handle the China trade. The Red Sea route was extensively used, but the necessity to portage goods across the desert between the ports of the Red Sea and the Mediterranean limited its utility for moving bulk cargoes. While popular for passenger traffic and the movement of light, time sensitive goods (such as the mail), the Red Sea route was certainly secondary as a commerce route.

The Suez Canal stimulated the commerce flow that returned the Malacca Strait to the primacy it had previously enjoyed before the Portuguese discovered the passage around the Cape of Good Hope. The opening of the canal brought new vitality to Singapore and heightened the importance of the island to the British Empire. New Harbor, first established to service the mail steamers, became a separate township and expanded its cargo handling, passenger and warehousing facilities.

By 1870 telegraph services reached both India and Singapore from Europe and the communications revolution of the nineteenth century drew the far flung Empire closer and closer to London. With the arrival of the second Governor of the Straits Settlements, Sir Andrew Clarke, the long-standing policy of non-involvement in the political affairs of the Malay States began to change in an effort to open up the peninsular hinterland to economic exploitation. By 1874 the British Government had executed a complete about face in its policy of non-intervention in the affairs of the peninsula and was embarked upon a policy of "forward movement" geared to pacifying warring factions to provide an environment that would enable the aggressive trading, mining and planting interests to exploit the peninsula's resources.

Closely coinciding with this decision to open the peninsula was the introduction of a new economic factor into the regional economic picture. The Government of India had been interested in exploring the possibility of rubber planting in its territories since the mid-nineteenth century. In 1876, Henry Wickham, the Director of the Royal Botanical Gardens at Kew in London obtained some 70,000 Brazilian rubber seeds and cultivated them at the gardens. Twenty-two of these seedlings were sent to Singapore where they were taken to the Singapore Botanical Gardens that had been founded in 1860, and taken over by the government in 1874.

The trees, which require at least five years of growth before they are tapped, had been largely forgotten by the garden's staff until the arrival of Henry Ridley from England. Ridley took charge of the Singapore Gardens in 1888. He had been to Brazil and was well aware of the economic potential of rubber and familiar with rubber planting and tapping techniques.

Ridley tapped the trees in the gardens and tried to convince skeptical regional planters of the economic potential of rubber with such zeal that he became known in Singapore as "Mad Ridley."[56] It took Ridley a number of years to persuade anyone to take a chance on rubber planting, probably due to the relatively long period of time between the planting of the trees and economic returns. Two plantations started on the peninsula in 1896 and the trees did very well in the tropical climate of Malaya. The planting of rubber in Malaya occurred at a time when the introduction of automobiles was in its infancy and demand for rubber was just beginning to expand. While there were rubber plantations planted on the island of Singapore, land availability limited their economic impact. Rubber planting expanded rapidly in Johor and throughout the peninsula and Singapore became the entrepôt and market for this new resource.

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[56] Pearson, p. 163.

The introduction of rubber in Malaya had an explosive effect upon the agricultural patterns of the region. By 1906 rubber had become the primary agricultural export commodity, mainly due to the demand for automobile products. Almost all the areas planted in rubber had previously been virgin jungle, thus existing agriculture was not displaced by the new commodity. The coconut palm, also an important agricultural commodity, was cultivated in the alluvial soils of the coast. Native Malays, indifferent to the consequences of the new crops, remained engaged in their traditional wet rice production, due primarily to British colonial policy. Other crops, sugar, coffee, tapioca, gambier, pineapples, spices, pepper, nutmeg, cloves, bananas and other tropical fruit were also planted throughout the nineteenth century. After 1906 the huge potential of rubber began to hearken less emphasis of these products that were less profitable, more labor intensive and difficult to market. Singapore, concurrent with its development of tin processing, did become a center for pineapple canning in the early twentieth century, a precursor of the large part that food processing would later play in the local economy.

The British succeed in pacifying Malay tribal wars and Chinese "tang wars" on the peninsula. Progress in tin mining was due largely to Chinese capitalists, whose enterprises were characterized by small units of production organized in partnerships or small companies with labor intensive-methods made possible by large supplies of cheap immigrant labor. The Chinese gradually modernized their mining methods using European steam pumps but their enterprises remained organized fundamentally in the many-unit, labor intensive pattern.[57]

The Americans and Europeans began to enter the tin trade with more capital in the late nineteenth and early twentieth century. This led to an erosion of Chinese dominance in the tin trade. English and Australian companies also introduced large riverine dredges further continuing this trend. The first large scale smelter was built at Singapore in 1890, largely to serve the growing demands of the American canneries. A similar facility was built in Penang. Small scale Chinese smelting operators were driven out of the business and by the 1920's all tin smelting was being done in these urban centers, further expanding Singapore's entrepôt trade and enhancing its role as a processing center for regional resources. Malayan tin exports between 1911 and 1921 consistently accounted for between 30% and 40% of total world output.[58] By the mid-1930's the output of European accounted for two-thirds of total tin production. Two sharply different patterns were firmly established, the labor intensive small Chinese capitalists and the large scale, capital intensive European operators.

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[57] David P. Chandler, et. al., p. 224.
[58] *Malaya*, p. 193.

The opening of Malaya and its rich resources stimulated an unprecedented wave of immigration which in turn enabled further development of the peninsular infrastructure. This changed forever the demographic face of Malaya and Singapore. For example, during the two decades prior to the census of 1901, the population of the Malay states of Perak and Selangor increased from 130,000 to 600,000, including a huge number of Chinese indentured laborers. The expanding tin trade, which grew from less than half a million dollars to more than sixty million Straits dollars in 1900, generated the revenue that stimulated and enabled the building of railroads, roads, and other communications. By 1909 travelers and goods could go by train from Penang to Singapore, crossing the Strait of Johor by railroad ferry. The Johor causeway, linking Singapore to the peninsula, was completed in 1923. From 1873, just prior to the change in British policy on the peninsula, to 1913, just before the Great War began in Europe, trade through Singapore increased eight fold and Singapore well overshadowed all the other Straits Settlements in the entrepôt trade.[59]

The Great War in Europe stimulated the local economy further with its attendant military demand for rubber. One of the most significant aspects of the remarkable economic boom in was the striking absence of Malay peasant involvement in it. The British actively sought to shield the Malay peasantry from the displacement attendant to the new economic order. By maintaining the Malays in villages engaged in traditional wet rice production they ensured continued food production and avoided the political consequences of a disorganization of the peasant economy. Only a few Malays entered the export economy through small hold rubber planting and began to receive access to increased educational opportunities.[60] The British introduced an elementary vernacular educational policy that was designed to maintain the status quo and to create "a vigorous and self-respecting agricultural peasantry."[61] Due to this policy of keeping the Malays down on the farm, so to speak, they played an inconsequential part in the growing urban economic centers that developed to service the booming export economy. In 1921 the Malays constituted only ten percent of the urban population, a figure that would correspond to roughly four to five percent of the total Malay population.[62]

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[59] Singapore Ministry of Communications and Information, *Singapore 1989*, (Singapore: Singapore National Printers Ltd.),p. 39.

The structure of the British Malayan Territories and the Straits Settlements economies as they would exist until the beginning of the Second World War had been largely established by the late 1920's. The economies of British Malaya and that of Singapore following the Great War were linked to the fortunes of the world economy at large. There was a post-war boom due to rising tin and rubber prices followed by a recession beginning in late 1920 as the prices for those commodities collapsed. In the mid-1920's rubber and tin prices soared again and fortunes were made, almost overnight.[63]

The Great Depression of the 1930's checked the runaway expansion of the regional economy, but caused no significant structural changes other than the elimination of some marginal tin and rubber enterprises. The contraction in the labor market gave rise to the first attempts to regulate the previously unchecked alien immigration. As the world began to slowly climb out of the depression prior to the Second World War, the commodity based economy in Southeast Asia began to recover. The regional resources, especially the rubber of Malaya and the petroleum of Indonesian Archipelago would be the magnet that would embroil Southeast Asia in World War II in a way it had avoided during the Great War. A rising Asian power, Japan, would lay claim to the resources of Asia, proclaiming an "Asia for the Asiatics" that would be a part of their "Greater East Asian Co-Prosperity Sphere," encompassing East and Southeast Asia. The Japanese prophecy of "a new dawn for Asia" ushered in an era of darkness and deprivation that would forever alter the political face of Southeast Asia and its attendant colonial economic order.

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[60] David P. Chandler, et. al., pp. 334-335.
[61] Ibid, p. 335.
[62] Ibid, p. 336.
[63] Federal Research Division, Library of Congress, *Singapore a country study*, (Washington D.C.: GPO, 1991),p. 32.

C. Politics: The Empire in Southeast Asia, The Politics of Race and Money.

The Temenggong, Abdu'r Rhaman, with whom Raffles negotiated in Singapore, had been a faction leader in the Malay court in the Riau islands at Bintan who had unfortunately been advisor to the leader of the losing claimant to the throne. The claimant to the throne was Husain, to whom the Temenggong was related by marriage. He was Husein's father-in law. In choosing a new ruler for the court at Bintan, as was the common custom in Malayan politics, succession was based on the established bureaucracy choosing the most suitable member of a royal family to succeed to the throne. In the case of the Sultanate of Lingga at Bintan, suitability may very well have equated to that member of the royal family who was most controllable by the dominant faction at court, then the Bugis from the eastern archipelago. The eldest son, Husein, who went by the title of Tengku Long, had been bypassed in favor of his younger brother in 1812. The Temenggong was the senior advisor to Tengku Long.

After the Dutch had established themselves in Bintan and the Bugis-dominated court there had accommodated themselves to Dutch control of the island's commerce, Tengku Long remained at court in Bintan without influence, retained on a small pension. His father-in law, the Temenggong, without the benefit of royal family connection, withdrew from the court in 1818 after the arrival of the Dutch, moving first to Johor in southern Malaya and finally settling in Singapore with a retinue of followers who maintained themselves by fishing, fruit growing, trading and occasional piracy. The Temenggong also encouraged a small group of Chinese to plant gambier and pepper on the island. The arrival of Raffles and the British soldiers who accompanied him gave the Temenggong an opportunity to reestablish his son-in law's political standing. He sent word to Bintan and Tengku Long was brought secretly to Singapore where a treaty of friendship was concluded with the British to allow the establishment of the British trading post.

Essentially, Raffles had granted British recognition to Tengku Long as the rightful Sultan, and on the day the treaty was concluded he was declared Sultan Husain of Johor and the Temenggong installed as his advisor. By this process, Raffles legitimized the deal he made for the trading post at Singapore within the framework of the local political order.[64] By proclaiming Tengku Long Sultan of Johor in the name of the Governor General Of India, this aim was accomplished. This process of legitimizing a local claimant to political power who would serve English purposes was a common characteristic of the strategy employed in Malaya. The Union Jack went up on Singapore on February 6, 1819.

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[64] This is the first instance in Malaya of the British interfering in the local political order to install a ruler who would accommodate their interests, it would be repeated many times on the peninsula.

Difficulties did arise. Raffles, in an attempt to limit company expenditures on the settlement, left Major Farquhar, the first Resident, with a minute budget. Given the free trade policy that precluded customs duties, Farquhar turned to "sin taxes" to raise revenue. Gambling was legalized and monopoly rights auctioned for the sale of alcohol and opium to extract the revenue to finance public works projects.[65] Maintaining law and order among the rapidly growing and diverse population was very difficult. The growing merchant community, in one of its first "self-help" initiatives pooled its resources to hire night watchmen to augment the inadequate police force.

Despite the fame Raffles now receives as the founder of Singapore, after a hasty departure following the initial treaty signing, he visited the settlement only three more times, staying for a total of only one year. On January 1, 1823, Raffles instituted the first town plan for the burgeoning city. His town plan was based on separation of the races, with Hindus, Chinese, Europeans, Arabs and Bugis each receiving land for their own *kampong* (Malay for village). A Government quarter and a Merchant's quarter by the mouth of the river were established as largely non-residential zones. The Malays were moved with the Temenggong from the banks of the Singapore river to Telok Blangah, southwest of the settlement.

As in Java, Raffles abolished outright slavery, but allowed debt bondage to continue. He instituted laws and regulations for the preservation of peace and order. The judicial system included trial by jury. Raffles eliminated some of Farquhar's early initiatives, viewing the social costs as too extreme. He closed down gambling houses and levied punitive taxes on liquor and opium. Although Raffles tenure in Singapore was short, his energy and determination were responsible for the settlement's establishment and left an indelible imprint on the growth that would follow.

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[65] Ibid, p. 13.

The Malay Sultan, Tengku Long and his advisor the Temenggong set up court in Singapore, building a palace on the island and making Singapore the seat of the Johor Sultanate. Unsatisfied with the remuneration they were receiving from the East India Company and in accordance with the long-standing local tradition of commerce extraction as a revenue base, the Sultan demanded that the traders who visited the port come to his palace to pay him homage, including tributary "gifts." The Sultan's increasing demands for proper tribute began to evolve into a de facto duty on trade. Political power sharing was clearly imperiling the island's trade. The merchant community's complaints resulted in action. Taming the Sultan to regain control of the island's free port status was the task of the new governor of Singapore, John Crawfurd, whom Raffles had installed prior to leaving Southeast Asia. He negotiated a new treaty with the Sultan and the Temenggong which ceded the island to the East India Company in perpetuity in exchange for an increased pension and a cash settlement. Absolute English control dates from the signing of this treaty on August 2, 1824. This treaty also represents the first instance of the political power that could be exercised by the growing merchant-trader group. This group would drive the political process for the next century, cajoling the Company and later the Crown into implementing policies that largely served their interests. As is the rule in most political power struggles, in Singapore, then in the Straits Settlements, and later with the opening of Malaya, money would talk with the loudest voice.

Crawfurd presided over the initial period of rapid growth in Singapore, remaining true to Raffles' vision. He continued to fight against piracy and slavery. He did reverse Raffles closure of gambling houses, however, taxing them once again to raise public works revenue. Perhaps the most important of Raffles' initiatives that Crawfurd failed to carry through was in the area of education. Raffles had envisioned Singapore as a center for the education of Malays to train them as teachers and to enable them to enter the civil service. One of Raffles' last acts was to leave an endowment for the establishment of such an institution, which would hopefully attract the sons of regional rulers and chiefs. Crawfurd convinced the company that the support of primary education was a wiser course. The unfortunate result was that education at all levels was largely neglected.

Following the conclusion of the Treaty of 1824 the East India Company recognizing the unique economic position of its new Malayan territories, in 1826, combined Penang, Malacca, Singapore and Province Wellesley as the Straits Settlements, a separate Presidency, in the administrative jargon of the company. The center of government for the Straits Settlements was initially the long established settlement at Penang. This was the first time since its founding that Singapore was not directly administered by the Supreme Government of India. This new bureaucratic apparatus proved expensive and difficult to manage and in 1830 the Straits Settlements saw its status reduced to that of a residency, a subdivision of the Presidency of Bengal. Within two years the seat of government was moved to Singapore as a consequence of the island's rapid growth and emergence as the center of regional trade.

In the 1840's the opening of China and the arrival of more and more steamships resulted in explosive growth in Singapore. The growth of the city far outstripped the abilities of the clumsy government structure so local merchants and trade associations had to depend on themselves to take care of their needs. The Governor of the Straits Settlements was unable to convince the Governor-General in India that further investment in the region would pay dividends. The Governor-General in India passed a series of unpopular fiscal measures in 1845 which included changing the local currency to rupees, a Stamp Act for agreements and contracts to raise revenue and a measure to collect trade duties on vessels using the port. The Singapore trading community rose in opposition because of the damage these measures would inflict upon its status as a free port. Already facing the prospect of losing much of its importance as a transshipment for goods with China with the rise of Hong Kong, this policy, implemented from afar in Bengal, seemed to characterize for those in Singapore the attitude of contempt at the worst or disinterest at the least with which the Straits Settlements were treated by the East India Company.

The merchant community was successful in forcing the company to rescind most of the hated regulations but this battle with the Company, conducted largely in Singapore, Calcutta and London represents the genesis of a local effort to win the status of crown colony for the Straits Settlements, free of the Indian link.[66]

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[66] R.S. Milne and Diane K. Mauzy, *Singapore The Legacy of Lee Kuan Yew*, (Boulder: Westview Press, 1990), p. 43.

The Governor-General of India, Lord Dalhousie, visited Singapore in 1851 and upon his return to India placed the Straits Settlements directly under his administration in Calcutta. This move did little to satisfy the complaints of the local merchant community, which felt increasingly neglected as the rebellion reached its climax in India and left the Straits Settlements on their own.

In 1856 the Governor of the Straits Settlements instituted legislation making Singapore a municipality. A city government was established comprised of five Commissioners. Two Commissioners were appointed by the governor and three were elected by very limited franchise of influential business figures. As small a change as the Municipal commission was, it represents the first system of local political access in the history of the island and was the predecessor of the city council that would later follow. A property tax was enacted to finance strictly local projects.

The lobbying efforts of the Singapore merchant community bolstered by arguments for the need for a place other than fever ridden Hong Kong to station British troops in Asia eventually persuaded the government in London to designate the Straits Settlements a Crown Colony on April 1, 1867. The Government of the Straits Settlements was headed by the Governor, with the assistance of executive and legislative councils. The Executive Council was comprised of the Governor, the senior military official in the Settlements and six other senior officials. The Legislative Council included all the former and added a chief justice and four non-official members appointed by the Governor, drawn largely from the merchant/trading community. This government structure was dominated by Singapore, much to the consternation of Malacca and Penang. As the number of unofficial members of the government was gradually increased, Asian representatives were recruited as their commercial interests and financial power expanded.

With the Straits Settlements established as a Crown Colony, the scene of political action moved to the peninsula itself. While not directly affecting the political order in the Settlements, the British policy of "forward movement"on the peninsula would have far-reaching effects on the political order and independence movements of post-war Malaya and Singapore.

In January 1874, the British introduced themselves into the local politics of peninsular Malaya in a succession dispute in the tin rich west coast state (*negri* in vernacular Malay)of Perak. Three groups met at the offshore island of Pangkor: Malay chieftains, led by Abdullah one of three claimants to the sultanate; the Chinese, represented by the leaders of the two strongest secret societies in the Perak tin fields; and the British, led by Governor Clarke. The result of the meeting was an agreement, known as the Pangkor Engagement, by which the British recognized Abdullah as Sultan and provided for the installation at his court of a British Officer, to be known as a Resident, "whose advice must be asked and acted upon on all questions other than those touching Malay Religion and Custom."The collection and control of all revenues and the general administration of the state was to be regulated under the advice of the Resident.[67]

This was the model for other sultans who would be assisted to gain of secure their thrones in exchange for abrogating effective power in self-government. This system spread rapidly to other *negri* and in spite of the fiction of self-government that both the Malay rulers and the British continued to promote, it was the British, through the Resident and the colonial bureaucracy who ruled and the sultans who reigned. When four of the states were federated in 1895, with the approval of the Sultans, it was facetiously agreed that the new fedaration would not "in the slightest degree...be curtailing the right of self-government which they presently enjoy" When later, in 1909, a Federal Council was created, the sultans were still little more than the facade behind which the British continued to exercise their power.[68]

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[67] David P. Chandler, et. al., p. 197.

The natural rulers accepted the extension of British control primarily because the British had the guns and money. The sultans had to settle for what they could get. Commercial expansion enabled the British to pension the rulers with an income that was commensurate with what they had previously received from commerce exactions and taxation. The British placated the Sultans by paying ceremonial homage, and constructing palaces and other symbols of power. This provided more legitimacy in the eyes of Malay society for their claim to authority, claims which, in the past, had been largely *de jure*.

Thanks to British law and order, immigration boomed and two societies existed side by side. The new European and Chinese commercial interests coexisted with the traditional Malay society which reaped insubstantial benefit from the new export economy. In the early twentieth century the the British domain was expanded by territories acquired from Siam. These territories were organized with others on the peninsula in what became known as the Unfederated States which retained some limited administrative perogatives. By 1914, however, the entire peninsula had come under effective British political control.

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[68] Ibid, p. 198.

While the extension of British control over the peninsula served to isolate the sultans from decisions that might interfere with the economic progress on the peninsula, the latitude they were given with regard to "Malay custom and religion" led to a strengthening of this function and a consequent proclivity on the part of the rulers to develop elaborate administrative and judicial establishments for the governance of Islam. These bodies, which became known as Councils of Muslim Religion and Malay Custom, reported and were responsible directly to the Sultans. They became conservative bodies which were the repositories of traditional authority.

The Malay social aristocracy remained largely intact and after the turn of the century became the sector of Malay society from which the British drew candidates for special education to recruit for the colonial bureaucracy. Although always employed in subordinate positions, these petty bureaucrats, by the new authority conferred upon them by the colonial administration coupled with their traditional status in Malay society, grew in power. The colonial system reinforced their roles as authority figures and placed them in a position to influence the nature of government when the British gradually withdrew from their colonial position after the Second World War. Thus, those who ascended to political power were extremely protective of Malay rights and prerogatives and well grounded in the role of Islam in Malay society. It was this elite value system that was to cause so many difficulties in the effort to include the overwhelmingly Chinese Singapore in the short lived Malaysian Federation.

In Singapore, meanwhile, the late nineteenth century witnessed a rising tide of organized criminal activity, including illegal immigration schemes, most of it controlled by rival Chinese "secret societies." Events in Singapore in the late nineteenth century are similar to the immigration difficulties the United States faces today from organized gang racketeers exploiting the rush of Chinese emigration. Open gang warfare resulted in legislation, beginning in 1889-1890, to register, and later to ban, the societies. Neither effort was very successful.[69]

Efforts to control the secret societies, and the Chinese in general, actually began in 1877 when a Chinese protectorate was established, headed by British Officer William Pickering. The earliest Chinese immigrants to Singapore were seekers of political asylum. These were Chinese who remained largely resident permanently throughout Southeast Asia. The later tide of immigration was comprised mostly of laborers who were overwhelmingly transients, planning to stay only long enough to make enough mosey to buy some land on the mainland and return home again. These Chinese who were ruthlessly exploited, spending years paying back the secret societies for their passage to Singapore, with little left over to send home and even dimmer hopes of realizing their dreams. Pickering was the first British official appointed to serve in Singapore who could speak and read Chinese. [70]

Pickering did much to protect the growing community of Chinese immigrants from exploitation by the secret societies in the form of indentured service and prostitution. The Chinese protectorate extended its influence into the Chinese community, arbitrating disagreements concerning labor, financial dealings and even extending to domestic disputes. These efforts removed the secret societies from these functions, which had traditionally been within their purview, somewhat weakening their influence

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[69] Milne and Mauzy, p. 44.

[70] Federal Research Division, Library of Congress, p. 26.

This British "meddling" in Chinese affairs sparked riots of Chinese, which led to the passage of the legislation banning the secret societies beginning in 1890. This actually led to increased criminal activity as the Chinese were forced underground. Subsequently the increasing prosperity of the settlement and the increasing sophistication of the secret societies reduced their threat to public order. More personalized violence however, (threats, extortion rackets and gambling) directed by Chinese against Chinese continued. By the turn of the century, open gang warfare was no longer a threat to public safety. The power of the secret society as a political base for the Chinese was largely broken.

The Chinese in Singapore did not constitute a homogeneous community. While most immigrants came from the maritime provinces of southern China, they spoke different, unintelligible dialects and tended to specialize in different sectors of the economy. The largest dialect group were the Hokkien who were engaged largely in trade, shipping, banking and industry. The second most numerous were the Teochiu, traditionally predominant in the agricultural sector, in both planting and the food processing industries. Cantonese came as both artisans or unskilled laborers, both on the docks and in the tin mines. An industrious few made fortunes in tin. Two smaller groups, the Hakka and Hainanese were usually the least skilled, earning a living as servants, unskilled laborers and crewing trading ships.

As Chinese fortunes were made in Singapore, the wealthy Chinese found their well being increasingly was tied to the same interests as those of the Europeans. The Baba Chinese, descendants of early Chinese who took Malay wives, developed a distinct community of their own, highly acculturated to local society and regarded by most as a part of it rather than tied by affiliation to the mainland.[71] This group placed its loyalties squarely with the Colonial government and in 1900 formed The Straits Chinese British Association which both promoted its own connection with the Empire and drew in the ethnic Chinese who had been born in Singapore and Malaya (Straits Chinese) into coalition with them as a group which pledged its allegiance to the British Crown, eschewing its connections with mainland China. This group took steps to assist the Chinese community with the extension of public services in education and welfare.

While the Chinese elites became increasingly westernized, especially the Straits and Baba Chinese, turbulent political events in mainland China continued to affect the political order in Singapore. Restrictive emigration laws in China, relaxed briefly during the 1870's and reimposed in 1893 gave Singaporean Chinese, with the protection offered by British passports the ability to travel back and forth to the mainland, maintaining their cultural ties and often sending their children there for education or returning to find their sons Chinese brides.

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[71] David P. Chandler, et. al., p. 251.

The political connection with the mainland, particularly of the non-Baba or Straits born Chinese, was aroused by the rise of Chinese nationalism in the early twentieth century. The Chinese Revolution of 1911 ignited enthusiasm in all of the centers of Chinese population throughout Southeast Asia for modern education. Teachers for these schools were largely brought from China. Study and reading clubs with political overtones and a flourishing popular press also sprang up.[72] Later, in the 1920's, Sun Yat Sen was successful in convincing many successful China-born Singapore businessmen to invest in Chinese industry and to donate large sums for the establishment of more modern educational institutions in China. The Kuomintang (KMT) sent teachers and textbooks to Singapore and encouraged the use of Mandarin in the Chinese schools there to standardize curriculums and provide a unifying point for the disparate loyalties of the dialect groups (a precursor of the "speak Mandarin" campaign the PAP would institute many years later). The KMT-Communist struggle, resulting in a split in 1927, further politicized the overseas Chinese and exacerbated the difficulties of the British in controlling their Chinese subjects.

The British discouraged the use of Mandarin, aware of the growing left-wing political bent of the Chinese schools. Anything nationalist, socialist, or in any way revolutionary was considered left-wing. This effort proved unsuccessful and by 1935 Mandarin was the standard of instruction of all of Singapore's Chinese schools. Following the KMT- Communist split, the Nanyang (the Chinese term meaning southern ocean, used to refer to Southeast Asia[73]) Communist Party was established in 1928. In Singapore the party was proscribed by the British and harassed by the police. Reorganized in 1930 as the Malayan Communist Party (MCP), centered in Singapore, it had some success in the schools, infiltrating teacher and student organizations and staging some student strikes. British authorities, during a raid in 1931, obtained some records of the party, which included membership lists and evidence of its connection to the Eastern bureau of the Comintern in Shanghai. Mass arrests followed which nearly destroyed the party.

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[72] Ibid, p. 253.
[73] Federal Research Division, Library of Congress, p. 305.

The KMT, whose Singapore branch had grown rapidly through the 1920's was also proscribed by the British in 1929. Fund raising for the mainland party was prohibited as well. The British imposed severe restriction on immigration, censored the Chinese and Indian press and cut aid to vernacular schools, both Chinese and Tamil schools in an attempt to stem the rising tide of anti-colonial propaganda. Attempts to organize labor and conduct strikes by both KMT and communist elements were suppressed.

When the Japanese invaded Manchuria in 1931, Chinese nationalist sentiments were further aroused, as were anti-Japanese sentiments which had first surfaced after the Great War due to the audacity of the Japanese Twenty-one Demands. When, in 1936, the KMT-Communist united front returned to combat the Japanese and the Sino- Japanese war subsequently began in 1938, the Singapore Chinese rallied to the cause, spearheading relief efforts for the beleaguered Chinese and organizing effective boycotts directed at the Japanese.

The British, alarmed by the growing nationalist sentiments and concerned by MCP infiltration in relief and support organizations such as the Nanyang Chinese National Salvation Movement, tried to curtail the anti-

Japanese movements by banning anti-Japanese demonstrations and banning the importation of textbooks from China containing anti-Japanese sentiments. Still bound by political alliance to the Japanese, the British prohibited the teaching of anti-Japanese slogans and songs in the schools in Singapore. None of these measures stemmed the rising anti-Japanese tide, with its attendant nationalism and anti-imperialism. By 1940 the proscribed MCP had 50,000 members on its roll. The competition between the MCP and the KMT for control of grassroots Chinese organizations, while divisive, encouraged widespread support for Chinese resistance to the onslaught of the Japanese on the mainland.

The growth of the political consciousness of Singapore's other significant "alien" immigrant group, the Indians, follows a similar pattern of rising and falling in concert with events in the homeland and reacting to events far from Singapore. The Indians were far less numerous than the Chinese, accounting for 16 percent of the population in the census of 1860 that counted a total population of nearly 81,000. The Chinese, by contrast, accounted for 61.9 percent and the Malays only 13.5. [74]The Indian population did not grow as spectacularly and in 1880 the Indian population remained at around 12,000.[75]

As with the Chinese, assuming that "Indians" meant a homogenous group is a mistake. The classification included Hindus, Muslims, Sikhs, and Christians both from the Indian subcontinent and Ceylon. Less secular than the Chinese and with a wider variety of religious affiliation, the Indians were more fragmented and tended to keep to their own groups, centered around the mosque, temple or church. Immigrants from South India characteristically sought employment as laborers, mainly on the docks or in the rubber plantations, in local transport as river boatmen and ox cart drivers. Some became small shopkeepers serving the local economy. Indians from the North were generally wealthier, better educated and better connected with the British. They often worked in the mercantile community as clerks, for both British and Indian trading houses. Many were traders and merchants themselves. A great number of Sikhs came to Singapore and Malaya to serve in a police capacity, both in the public police and in private security forces assembled by the large trading concerns in Singapore and the tin mines of the peninsula.

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[74] Singapore Ministry of Communications and Information, *Singapore 1989*, p. 39.

[75] Federal Research Division, Library of Congress, p. 27.

Probably the first mass immigration of Indians was the importation by the British of Indian convicts to work in the first public works projects on the island. In 1857 there were 2,139 convicts from India Ceylon and Burma in custody in Singapore. St. Andrews cathedral, Government House and many roads and buildings were constructed with convict labor.[76] Many of these convicts were released and settled in the Straits Settlements. On the peninsula, following the "forward movement" policy change, the British actively encouraged Indian labor to immigrate to provide the labor necessary for the great expansion of the infrastructure of public works, railroads, roads and to work the great rubber estates. Even more than the Chinese the Indians were predominantly transients, expecting to work for a few years, make their fortunes and return home. The Indians had little impact on the political scene before World War I. [77]

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[76] *Malaya*, p. 123.

[77] Federal Research Division, Library of Congress, p. 32.

Malays as a community continued to grow, but their numbers and power were dwarfed by Chinese immigration to Singapore. By the turn of the century, the Chinese dominated the urban centers and approached equality, in sheer numbers with the total Malay population. Leadership in the Malay-Muslim community of Singapore was largely in the hands of the descendants of Indian Muslims and Malay women who were known as the *Jawi-Peranakan* and wealthy Arabs. The first Malay language newspaper, named *Jawi-Peranakan,* began publication in 1876 in Singapore. By the early twentieth century other Malay journals had appeared, which provided much of the impetus for the Islamic revival movement regionally in that era. The Malays' political issues were limited to religious concerns and they were much less a part of the economic success of the region, making their livings as farmers, servants, laborers and petty shopkeepers. The fortunate few found employment in the police or as religious teachers.

With Singapore's *laissez faire* approach to business and trade, revenue continued to be a vexing problem. Social services in Singapore lagged far behind the remarkable economic progress. The gulf between the rich and poor was enormous. The picture of today's modern Singapore give little evidence of the squalor and poverty that was present in Singapore at the turn of the century. Singapore's mortality rate in 1896 exceeded that of Hong Kong, Ceylon and India. Malaria, cholera and rampant opium addiction all contributed to this unhappy statistic. In 1900 opium continued to account for half of the government revenue. Efforts to ban opium were successfully defeated by the tax farmers who profited by it and business and trade lobbies who were resistant to the income tax to replace the revenue opium provided.

In a compromise of sorts, the government took control of all opium manufacture and sales in 1910. This measure increased the revenue by diverting the profit directly to the government and eliminated the more dangerous opium sold by many of the more unscrupulous distributors.

Education, one of the early visions of Raffles as a means to assist the Malays, remained neglected. The vernacular schools of the Chinese, Indian and Malay communities were poor. English-language schools, run predominantly by Christian missionaries were better, but unavailable to the masses who neither spoke the language nor could afford the tuition. English language schools were largely reserved for the wealthy. Raffles Institution began providing the only available secondary education in 1884. Just after the turn of the century, in 1902, the government finally instituted an educational plan, providing English-language primary schools and taking charge of Raffles institution the following year. In conjunction with the Chinese, the government opened a medical school in 1905 to address the severe shortage of trained doctors. By 1920 it had become the King Edward Medical College, which would form the basis for Singapore University. As English-language education grew, the affluent of all races increasingly viewed this as the route to prosperity for their children. More and more of the brightest of their sons competed for the coveted prize of Queen's Scholarships, awarded to the most promising Asian students for university education in Britain. The Asian students who acquired an English-language education formed a new elite, with access to government, professional and business employment opportunities. They were a group apart, not British, but no longer holding to many of the traditional values of their ethnic origins. After the war, many would provide the core of the nationalist movements that arose in its wake.

D. Diplomacy: The Geo-politics of the Great Game.

The founding of Singapore as a trading station of the English East India Company has its roots in the global economic competition and geopolitics of the era. As Napoleon ravaged Europe in the late eighteenth and early nineteenth century and the English were threatened by French power, the crown directed the East India Company to take control of the Dutch possessions in the East Indies. As previously indicated, the British had first taken control of Malacca from the Dutch in 1795, restored it to them briefly in 1802, only to have war break out again in Europe, forcing them to again take control of the settlement. As discussed, a compromise solution, between complete abandonment of Malacca and retaining it intact with the almost certain prospect of its being returned to the Dutch following the war, was accomplished on the recommendation of a young assistant secretary in Penang, Thomas Stamford Raffles.

Raffles journeyed to Calcutta in 1810 to present a paper to the Asiatic Society on the maritime laws of the Malays. While in Calcutta, he impressed Lord Minto, the Governor-General in Bengal, with the depth of regional knowledge he possessed and his vision for English expansion of commerce. With the Dutch in disarray due to events in Europe, Raffles interested the Governor-General in the project of taking control of Java, on the pretext of denying the French an opportunity to make inroads in the Indies. An English military expedition guided by Raffles took Java in 1811. He was subsequently appointed Lieutenant-Governor of Java and served there for five years.

During his tenure in Java, Raffles' policies contrasted markedly from those of the Dutch. He introduced laws which allowed the native Malays and immigrant Chinese more autonomy and control of their economic destiny. Farmers and planters, who had been severely exploited under Dutch rule, were encouraged to expand their operations by allowing them to keep more of what they produced and by freeing up the local market. With a solid grounding in regional history and fluent in Malay, extremely unusual for any colonial official, by all accounts Raffles was an admirer of the Malays and brought an attitude of respect for local culture to a region that had hitherto know nothing of the kind. During his years in Java, Raffles undoubtedly entertained notions of permanent British supremacy in the East Indies and was attempting, through his cooperative policies with the indigenous peoples to create a political base for just that purpose. As Lieutenant-Governor of Java Raffles abolished slavery and torture, instituted trial by jury and devised an equitable land reform system.[78]

Following Napoleon's defeat at Waterloo in 1815, the treaty of Vienna restored to the Dutch their possessions in the East Indies. In 1816 Raffles returned briefly to England. It is interesting to note that his trip to London was necessitated largely due to charges against him by fellow officers of the East India Company, some of whom resented his high-handedness in pressing forward so aggressively his own vision of empire in the east.[79] The tradition bound society of England engendered a rigid hierarchy in the East India Company and the meteoric rise of Raffles undoubtedly took place over the heads of many who must have thought themselves more deserving.

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[78] *Malaya*, p. 265.
[79] Pearson, p. 57.

Raffles successfully refuted the allegations and intrigues directed against him and was, in fact, knighted by the Prince Regent for his service to the crown in Java. While the recognition by the crown was gratifying, the Company was apparently less well disposed toward Raffles somewhat unconventional approach during his tenure in Java. His next assignment is indicative of this displeasure. Assigned to Bencoolen in south Sumatra as Lieutenant Governor, this probably represented a desire on the part of the company, as diplomatically as possible, given his new status as Sir Stamford, knight of the realm, to relegate him to the periphery of influence. Never a very successful trading outpost, Bencoolen, with its poor position and dreadful climate, was a malaria ridden backwater that was truly the end of the earth in the British Empire. It was to take a terrible toll on Raffles' family.

Following the return of Malacca to the Dutch in 1818 the British position in Southeast Asia returned to one of extreme disadvantage. The war years had whetted Raffles appetite for, if not British dominance of the East Indies trade, at least equality with the Dutch. The post war settlement essentially gave the Dutch complete supremacy in the East Indies, controlling the Sunda strait from Batavia and commanding the Malacca strait when they reoccupied Malacca. The two British settlements, Penang and Bencoolen, could be cut off from the trade of the east by the Dutch. Their locations, further from China and the Moluccas, put them at a severe disadvantage compared to Batavia and Malacca. Despite the despondency that Raffles must have felt, given the course of events, his drive and ambition never faltered. In 1818 on a trip to Calcutta, Raffles persuaded the Governor-General of India, then Lord Hastings, that he should back him in a mission to find a suitable port south of

Malacca and north of Batavia to serve English interests in the trade with the Archipelago and China and forestall the Dutch monopoly.

Early in 1819 Raffles, with an appointment from Lord Hastings as his agent to the Indies, sailed south from Penang with a fleet of five ships in search of a new English outpost. Although he made a number of stops along the peninsula and in some of the coastal islands after slipping past Malacca, there is some speculation that Raffles, as a serious student of Malay history and legend, had the ancient city of *Singupura*, described in the Malay Annals, firmly in mind from the time he conceived the venture.

Raffles five ships anchored off St. John's Island, five miles from the southern coast of Singapore on January 28, 1819. The following day his ships proceeded to the mouth of the Singapore River, anchored, and Sir Stamford and a small party went ashore. There, in the small fishing village at the mouth of the river, they negotiated with the Malay chief, the Temenggong Abdu,r Rhaman, and established their rights to establish a trading post on the island as detailed above.

The Dutch protested the British action, as they viewed Singapore as part of their sphere of influence, subject to the Malay rulers in the Riau islands with whom they had a treaty. Lord Hastings in Calcutta rebuffed the Dutch protests, citing earlier high-handed maneuvering of the Dutch vis-a-vis the British in Riau (the British had earlier concluded a treaty with the Riau rulers). The British government was unsettled at the possibility of conflict over the island, but Lord Hastings' arguments proved persuasive and Singapore was retained. An instant success, Singapore and its trade expanded rapidly.

Although his tenure in Singapore was short, Raffles energy and determination were responsible for the settlement's establishment and left an indelible imprint on the growth that would follow. R. O. Winstedt puts it succinctly writing in 1923:

> By the foresight and efforts of Raffles alone Singapore, now the seventh port in the world, was chosen for the British empire, despite the hostility of the Dutch, the jealously of Penang, the apathy of the Calcutta government and the timorousness of India House.[80]

The statue of Raffles which stands proudly over Victoria Square near the mouth of the Singapore river portrays a classic English gentlemen, robust and strong, the visionary empire builder. It celebrates the role described by Winstedt. Still an heroic figure in Singapore today, this depiction of Raffles stands in stark contrast with the reality of his life after leaving the East Indies. Such a contrast, concerning so influential a figure, is worthy of comment.

Raffles is a tragic figure in the history of the British Empire, a man who built the empire and was broken by it as well. He lost his first wife and all but one of his children to tropical fevers in Bencoolen. He departed Malaya for England in 1824 aboard a ship loaded with an extensive collection of zoological and botanical specimens (a veritable Noah's Ark as Winstedt describes it) and extensive manuscripts detailing his knowledge of the region The ship burned and Raffles lost everything. He attempted to recreate the collection as best he could before sailing two months later for England, arriving there in August of 1824. While he thought briefly of a Parliamentary career, his health after years in the tropics was frail, and although only forty-five, his body was that of a man of many more years. In England he was a founder and President of the London Zoo, where his bust was placed, appropriately, in the lion house. Farquhar even attacked his claim as founder of Singapore and the East India Company made claims against him for over 20,000 pounds. A Calcutta company, with whom he had left sufficient funds to meet these very debatable claims, went bankrupt. Worn by illness and beset by anxieties, Raffles died suddenly of apoplexy in 1826.

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[80] *Malaya*, p. 265

Formal agreement on Dutch and British spheres of influence was concluded 1824, shortly after Raffles' departure from Singapore. The Anglo-Dutch Treaty of March 1824 was designed to bring the competitive battling of the two European commercial powers to an end before it resulted in open warfare, a prospect relished by neither of them after the long European Wars. The treaty ceded Malacca to the British and recognized British suzerainty over Singapore. The Dutch were given Bencoolen and the British renounced any claim to the territories in Sumatra and Java.

The difficulties of the Americans trading at Singapore continued for many years following the seizure of the American vessel in 1825 by the Royal Navy. The ship was taken to Calcutta where the American captain was tried for the treaty violation. Although he and his ship were eventually released, a period of many months passed before the matter was resolved. This effectively discouraged further direct trade with the new settlement.

Even with the difficulties of trading through Riau, the Americans continued to come. Once again, the mercantile interests in Singapore collectively brought pressure to bear of the local leaders and petitioned the crown for an end to the restrictions on American trade. King William the Fourth ended the restrictions in 1837 and Joseph Balestier's charade ended as he was officially recognized as American Consul in Singapore that same year. Official American connection with Singapore dates from 1837, the same year in which Victoria ascended to the British Throne.

In 1835, Sultan Husain died, precipitating a succession battle for the Sultanate of Johor. Sultan Husain had left Singapore and lived in Malacca on the pension provided by the British for the rights to Singapore. Much in the manner of previous sultans prior to the arrival of the Europeans, Husain was happy to lead a life of leisure and was not much concerned with increasing his power or wealth, provided that he was assured a comfortable life.

Upon the death of Sultan Husain, Ibrahim, the new ambitious new Temenggong (son of Abdu'r Rhaman), who had long cooperated with the British and courted British influence, expected them to support him in his desire to be named Sultan of Johor. The British, for reasons that are only known to them chose to support Ali, the son of Sultan Husain, as the new Sultan of Johor. Ali was another weakling in the mold of his father and perhaps the British thought that he would bend to their interests more easily than the ambitious Ibrahim. Ibrahim's followers were also known to be engaged in piracy in the region, which probably soured the British as well. While the Temenggong failed in his bid for the Sultanate, the British did recognize him as Temenggong of Johor in 1841, legitimizing his place in the Malay hierarchy. It was he, and not the Sultan who exercised the most effective control in Johor. It also set the stage for his son Abubakar, would fulfill his ambition many years later.

Abubakar is an example of a high born Malay who cultivated contact with the British and educated himself in the British tradition to increase his acceptability to the British as an acceptable ruler. Abubakar was educated by a British missionary and cultivated the lifestyle of an English gentleman. He played cricket and recited poetry. When he finally succeeded his father upon his death in 1862, Abubakar had built an extensive network of British contacts which he continued to cultivate with his new title. He built a new palace at Tyersall on the outskirts of Singapore and entertained Prince George there. He visited England and met Queen Victoria. In 1885, several years after the death of Sultan Ali, Temenggong Abubakar had so ingratiated himself with those in power in Britain that he was recognized as Sultan of Johor. Abubakar went on to found the city of Johor Bahru, just across the strait of Johor from Singapore which was key to the development of the southern Malay peninsula. Johor once again had its own capital.

Throughout the early nineteenth century more and more English adventurers arrived in the region as trade with the Orient expanded. In 1839 English adventurer James Brooks began his opening of Borneo and had been named Raja of Sarawak by 1841 by the Sultan of Brunei for the role he and his mercenary troops played in putting down local rebellions and securing the Sultan's rule.

In 1840 the British fleet, including many of the new steamships passed through Singapore on their way to the China coast. The Opium War and the settlement of the conflict by the Treaty of Nanking in 1842 had far reaching effects on the burgeoning English trading Settlement in Southeast Asia.

The Opium War resulted in the opening of the treaty ports in China (Canton, Amoy, Foochow, Ningpo and Shanghai) and ceded Hong Kong to the British. With a new outpost from which to conduct its China trade, Singapore became a vital link in the communications system of the growing empire.

Events outside Singapore once again proved to impact significantly upon the political order in the dominions of the British in Asia. The Sepoy Rebellion in India in 1857 served to highlight the difficulties of the continuing rule of the East India Company. When order was restored, the Crown, in 1858, opted to take control of India as a crown colony, installing a Queen's Viceroy in favor of the Governor-General of the East India Company. As has been described above, the change which ended company rule in India brought renewed vigor to a regional movement to give the Straits Settlements the same status as a crown colony with direct rule from London. On the first of April 1867 the representative of the Viceroy of India presided over the ceremony at the Singapore Town Hall at which control of the Straits Settlements passed from the Viceroy of India a the newly appointed Queen's Governor.

The opening of the Suez canal in 1896 and the extension of telegraph services by 1870 to both India and Singapore from Europe drew the far flung Empire closer and closer to London. The ability to conduct nearly direct liaison with the Colonial Office in London was probably the most instrumental change that enabled diplomatic efforts such as the policy of "forward movement" to be undertaken.

There was, however, another event that perhaps stimulated the "forward movement" policy shift, that had little to do with the improvement in communications and more to do with geopolitics. In 1871 the British concluded a treaty with the Dutch which recognized the right of the Dutch to extend their sovereignty over the whole of Sumatra in return for equal treatment of British merchants there. The Dutch were, at the time, trying to subdue Aceh in western Sumatra and were concerned that the British might offer them aid. Western Sumatra had experienced the same type of intertribal warfare and roadblocks to commerce that were occurring on the Malay peninsula. The treaty essentially sealed Aceh's fate, though it took the Dutch some thirty years to stamp out all resistance. Given the actions of the Dutch in Sumatra and the terms of the treaty, the expectation that British interests in Malaya should receive similar protection was to be expected.

In the late 1880's, British concerns over possible Russian designs on India began to have an impact on Singapore. Concerned over the possible expansion of the Russian Navy into the Pacific and embroiled in the "Great Game" politics and military maneuvering in central Asia and Afghanistan, the British expanded their military facilities in Singapore. Following Japan's defeat of the Chinese in the Sino-Japanese war and the impressive use of naval power they displayed, the British saw an opportunity to balance the Russians in the Far East with the Japanese. This strategy led to the Anglo-Japanese Alliance, a treaty concluded in July of 1902. When the Russo-Japanese war broke out in 1904, the British denied the Russians use of both the Suez Canal and ports under their control, including Singapore. When the Baltic Fleet finally reached the Orient, after a difficult Cape passage, it was destroyed by the Japanese at the battle of the Tushima Straits. Until World War II the British were as unmolseted in their control of Singapore and Malaya as the Americans were in Manila and the Philippines.

E. Defense: Fortress Singapore and the End of Empire.

The initial English position in Singapore was tenuous at best. Aware that the Dutch would be enraged when they learned what had taken place, the small detachment on the island expected that Dutch forces might attempt to forcibly eject them from the island. On further orders from Lord Hastings for an urgent mission in Acheen in western Sumatra, Raffles had departed with some of the ships immediately after the treaty ceremony. Major Farquhar, with force of about one hundred and fifty and six small cannon, was left to defend the island. Farquhar sent word to Penang requesting reinforcement, as local informers led him to believe that the Dutch were indeed preparing to assault the island. The Governor of Penang, Colonel Bannerman, was either unable to reinforce the fledgling settlement or perhaps reluctant to support what many considered a fools errand, and suggested he abandon Singapore There is speculation among historians the Bannerman was "jealous alike of a rival settlement and Raffles, and put every obstacle in his way."[81]

Major Farquhar, who had been the British Resident in Malacca and was familiar with its peoples and conversant in their language, must have shared the vision of Raffles. He ignored the advice from Penang and prepared for the defense of the new outpost with the assets at his disposal. When the anticipated ships arrived, they were British, not the expected Dutch attackers. Raffles, anticipating Dutch designs on the new settlement, had sent word to Bencoolen when he reached Sumatra for reinforcements to be sent to Singapore. Now heavily garrisoned, no attack from the Dutch was forthcoming. Major Farquar was promoted colonel and remained as Resident in Singapore from 1819 until 1823. Following the conclusion the Anglo-Dutch treaty of 1824, the threat of the Dutch was largely removed.

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[81] Ibid p. 265.

In the middle of the nineteenth century, the gravest threat that Singapore faced was not the possibility of invasion, but the threat of piracy to its commerce. The few patrol ships assigned to the suppression of piracy by the East India Company were simply not up to the task. The boldest pirates, the Illanun, from Mindanao and Northern Borneo, sent out fleets of 50 to 100 armed *prahu*, and attacked even the large Chinese and European sailing vessels. The problem was not solved until the late 1860's. With the coming of steam, more and more Royal Navy ships began to patrol the area. The steam ships, able to maneuver upwind, attacked the piracy problem with deadly effectiveness.

The defense of Singapore and more pointedly, who would pay how much for it, had always been a bone of contention between London and Straits Settlements. From the time of its designation as Crown Colony in 1867, it took nearly thirty years to settle on the amount of its military contribution. As previously mentioned the Afghan war and fears of Russian adventurisim in India or the Pacific led to an increase in military construction and in more port fortifications in Singapore. In the latter 1880's the government proposed doubling the Colony's defense levy to finance the new requirements. The merchants argued (apparently ad infinitum) that Singapore was a critical link in the defense of the entire eastern empire and as such should be subsidized in its defense expenditures by the London Government. While the defense levy did not double as originally proposed, the Colony was forced to significantly increase its defense contributions. By 1895 agreement was reached and the levy for defense was fixed at 17 and one-half of it total revenue.[82]

The first World War touched Singapore only peripherally. The German cruiser *Emden* appeared in the Bay of Bengal in September of 1914 and conducted commerce raiding against British merchantmen and for a time closed the sea routes west. In October of the same year she attacked in a rather daring raid on Penang. When, in November, the *Emden* attacked the cable station in the Cocos Islands, she was found by an the Australian ship *Sydney* and destroyed. The Indian Ocean trade routes remained open for the rest of the war.

The pressing needs of the European theater led to the British regiment in Singapore being called to duty there, leaving a regiment of Indians to defend the island. The regiment, made up entirely of Punjabi Muslims, was at odds with the British over the conflict with the Muslim Turks. In an effort to forestall difficulties in the largely Muslim region, the British ordered the regiment to Hong Kong. Prior to departure, a rumor spread among the troops that they were, in fact, going to be sent to France or Turkey. Before their equipment was taken for loading, on the fifteenth of February, 1915, the Indians mutinied, killing the officer coordinating the collection of arms and besieging the Senior British Officer's house. They spread through the city in roving bands terrorizing the civilians and killing all the British officers they found. Those officers they did not find evacuated British women and children to ships in the harbor and with the cooperation of the Sultan of Johor's Malay troops , a civil defense corps known as the Singapore

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[82] Ibid, p. 168.

Volunteer Corps., and every European sailor they could press into service, organized a group to combat the mutineers. The effective core of the mutiny was broken by the eighteenth although it took another week to round up all the mutineers.[83] Thirty-six of them were shot in public executions. The remainder were imprisoned or if found innocent of charges, sent for duty elsewhere.

Following the First World War, Singapore's importance in the defense of the eastern empire increased. The Washington Naval Treaties of 1922, in addition to placing restrictions on battleship construction, also limited the fortification of Pacific Naval bases in order to win concession from Tokyo on the 5-5-3 ratio on battleships. This prohibited the British from fortifying Hong Kong and left Singapore as the logical choice as the base for the British fleet in Asia.[84]

The pre-war defense planning in Singapore and the subsequent Japanese campaign against Malaya in 1941-42 that eventually resulted in the fall of Singapore are important to understand as they provides important lessons that continue to inform security planners in Singapore today. While the proposals to center the British Far East defenses on naval power based in Singapore emerged in British defense writings as early as 1921, even after the Washington Naval Conference, there were still factions that opposed the scheme and favored basing an Asian fleet in Sydney instead.[85] Even after the decision was made to base the fleet at Singapore, funds for construction of the Naval Base and strengthening the islands defenses were slow in coming. In

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[83] Pearson, pp. 168-169.
[84] Milne and Mauzy, pp. 44-45.
[85] Russell Grenfell, *Main Fleet to Singapore*, (Singapore : Oxford University Press, 1987), p. 47.

1923 the Cabinet set a goal of ten years for the completion of the post-war defense establishment, reasoning that there would be no significant global threats to the war weary world prior to that time. After Winston Churchill became Chancellor of the Exchequer in 1924, the ten year goal became a moving window, so that each year the date for full preparedness receded one year into the future rather than coming one year closer. The British service Chiefs were left helpless in the face of a hostile Treasury on their requests for increased funds.[56]

When the London Naval Conference convened in 1930, the Labor Party was in power in Britain, and the Admiralty, hamstrung by the restrictions of the 1920 Washington treaty, looked forward to an opportunity to put its shipyards back to work. The Labor Government, never in favor of large defense budgets, agreed to a further standstill in battleship construction for six years and to include cruisers and destroyers under the ratio system.

Even with the new restrictions to fleet size the passage of the main fleet to Singapore continued to be the strategy for the defense of the territory well into the mid-thirties. With the difficulties in Europe, the rearmament of Germany, the German-Italian Axis and the Japanese denunciation of the Washington and London Naval Treaties by 1937 and activity in China many observers began to question publicly the ability of the Government to despatch sufficient fleet strength to Singapore in the case of a threat in the East.[57]

The seaward defenses of Singapore were completed by the late thirties. 15 inch guns protected the harbor and airfield capacity had been dramatically improved. The only things these marvelous facilities lacked were ships and modern aircraft in sufficient numbers. The Commander in Singapore in 1937, General Dobie, began some tentative efforts to fortify Johor in Southern Malaya, which he viewed as vulnerable to amphibious assault. This was the first indication that any military commander appreciated that the Naval Base could not be held by defending the sea approaches alone. Defenses were limited to Johor, as the assumption at the time was that the French would maintain Indo-China, making landings further up the peninsula impractical due to lack of land based air cover.

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[56] Ibid, p. 68.

[57] Ibid, p. 70.

When the new commander, Major-General L.V. Bond assumed command in 1939, the plan for the defense of Singapore underwent a drastic change. The estimated time for the fleet to reach Singapore in a crisis situation was extended from 70 to 180 days. This demanded a reconsideration of the standing policy of naval defense. With the outbreak of the war in Europe, followed by the rapid expulsion of British forces from the continent, the strategy for the defense of Singapore in 1940 took an abrupt about face.

The decision was made to reinforce the Royal Air Force in Singapore to combat the expected seaborne Japanese threat. Estimates by the General Staff were that the Japanese could field 713 aircraft in an attack in Southeast Asia. British estimates of the number of aircraft to defend against such a force were estimated, by the on site Commander, at 556 and by the Chiefs of Staff in London, at a meager 336, based on what they assumed to be inferior aircraft and pilots. When the Japanese attacked in 1941, there were less than half this number in theater, which would cost the British dearly in the fight for Malaya.

In March and April of 1941, there were conferences in Singapore, including representatives from the United States and the Netherlands East Indies. Plans for cooperation in the event of a Japanese attack in East Asia were formulated. The principle outcome was a scheme whereby the United States Asiatic fleet would retire to Singapore if the Philippines were lost, and become an integral part of its defense. The US Asiatic fleet at the time consisted of the cruisers *Houston* and *Marblehead*, thirteen destroyers and 17 submarines. At this conference the British also announced that a British Eastern fleet would be dispatched to Singapore. The time from departure from Britain to arrival in Singapore was set at 80 days.

The British received further assurances from the Americans in Washington in March of 1941 that the Pacific fleet would be used to conduct offensive operations against the Japanese if war broke out to relieve any Japanese pressure on Singapore. Under the Anglo-American agreement, signed in Washington on March 27, 1941, the decisive theater was defined as Europe. The strategy in the Far East was to be defensive. As Russell Grenfell remarks however, 'a defensive strategy of this kind implies or should imply a *successful* defence'(authors italics). [88]

When the Japanese moved into Indochina with the permission of the Vichy government and the Germans attacked Russia in June of 1941 the situation became even more grave. It is at this point that the actions of Churchill became intolerable in the eyes of those charged with the defense of Malaya. With the Japanese now possessed of airfields capable of staging land based attacks on Singapore and the peninsula, the theater was still desperately short of modern combat aircraft. Rather than send the required air strength to Singapore, Churchill embarked upon the defense of Greece in the face of the German invasion, an unsuccessful enterprise that cost the British 209 front-line aircraft. Even more surprising, Churchill opened the floodgates for Stalin, sending aircraft and pilots to aid the Russians. Speaking to the House of Commons in 1942 Churchill said:

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[88] Ibid, p. 80.

> ...that the main strategic and political decision to aid Russia ... and to accept a consequential state of weakness in the then peaceful theater of the Far East was sound and will be found to have played a useful part in the general course of the war, and that it is in no wise invalidated by the ... heavy forfeits which we have paid and shall have to pay in the Far East.[59]

While this may have been arguably true for those living in the British Isles, to Malayans and Australians, the policy represented an abandonment of the British commitment to their defense. What was finally committed to the defense of the Far East was a hastily assembled Naval Squadron of two capital ships, *Repulse* and *Prince of Wales* and five smaller ships, two of which were detached from the Mediterranean squadron in questionable states of repair. The squadron arrived in Singapore on December 2, 1941. Upon reaching Singapore, the great battleships instilled a sense of confidence and comfort in a population which had been growing more apprehensive as the days passed. Although this was far from the "main fleet" which had figured so prominently in the pre-war plans for the defense of Singapore, there was a sense in those on the island that their defense was now more solid and able to deal with any eventuality. General Percival recalled feelings in later writings:

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[59] Ibid, p. 89.

> ...of the thrill it gave us all as we watched those majestic ships steaming up the eastern channel of the Johor Strait and coming to anchor.[90]

When the Japanese attacked in the early morning hours of December 8, bombing Singapore and conducting landings on the east coast of the Kra Isthmus, the British found themselves at the mercy of overwhelming Japanese air superiority. Without an aircraft carrier, and with only minimal support from land based air, *Repulse* and *Prince of Wales*, under the command of Admiral Sir Tom Phillips, steamed out of Singapore on the evening of the eighth to attempt to disrupt the Japanese landings. The time had come for the Royal Navy to defend the Eastern Empire. The plan was to engage the Japanese on the morning of the tenth, if they were able to make their approach undetected. When they were detected by Japanese aircraft on the evening of the ninth, just before darkness which would have shielded them, the decision was made to retire to Singapore. By 1320 the following day both battleships had been sunk by Japanese aircraft operating from airfields in Indochina. Admiral Phillips was among those who were lost.

One can arguably date the end of the great era of Britain as a world naval power as December 10, 1941. It had perhaps shared its place at the top with the United States for the twenty years preceeding the nearly simultaneous bombing of Singapore and Pearl Harbor. Prior to that, British pre-eminence at sea had been a forgone conclusion for over a hundred years. This ignominious defeat, British Naval Historian Russell Grefell maintains, was the culmination of two centuries of naval prowess that had enabled the island nation to prevail over one maritime rival after another.[91] E.M. Glover, a British journalist in Singapore, recalls his reaction when he received the news over the telephone:

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[90] Op. Cit. in Grenfell, p. 97.

[91] Ibid, p. 209.

> I put the receiver down, and for a moment could not control my thoughts which dashed off at tangents in all directions -- the cream of our naval defence in the Far East already at the bottom of the sea; why there was nothing left to stop the Japanese from landing troops anywhere on the Peninsula. I began to see my world crumbling beneath my feet.[92]

With any threat to their landing force removed, the Japanese continued to land troops and equipment. Throughout December and January 1942 the British Army in Malaya was steadily forced back. The Japanese outfought the British and Australian defenders by using jungle warfare tactics of infiltration. They often dressed themselves in the traditional native garb of the native Malays and the Chinese and approached advanced upon the defenders in small groups. Newly-arrived colonial troops were often unable to tell them from the natives. Faced with Japanese armor with none to oppose it and absolute Japanese air superiority, the British forces fought valiantly, but were unable to stem the tide of Japanese advance. Despite Japanese control of the air over Malacca strait, the Sunda strait, which remained open, enabled reinforcements to arrive, consisting of Indian and British troops, some armor, anti-tank units and, woefully late, fighter aircraft.

On January 29, the last of the British forces withdrew to Singapore and destroyed the causeway link. With an eighty-thousand man army crowded into Singapore along with thousands of civilian refugees who had fled the peninsula the problem of keeping people alive and coordinating defense of the island became more and more difficult. With the water from Johor cut off, the Japanese paused a week, conducting their first landings on February 8th. One week later General Percival surrendered, ending 123 years of British control of Singapore.

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[92] Edwin Maurice Glover, *In 70 Days The Story of the Japanese Campaign in British Malaya*, (London: Frederick Muller Ltd, 1946), p. 96.

One of the key factors that many critics of the British defense policy for Singapore highlighted in the many attacks upon it that followed the fall of Singapore was their failure to enlist its Asiatic population in the colony's defense. Whether this was due to cultural arrogance, racism, or simply a lack of foresight is unclear. What is clear is that the British assumed responsibility for the defense of the region, spurning offers of assistance from the local community, and then failed to meet their obligations. This was something that the people who lived through the occupation would never forget. The disillusionment of the British civilians in Singapore and the Asian British subjects who endured the defeat and their feelings of abandonment were profound.

E.M. Glover again, on these points:

> I repeat, the Japanese overran Malaya, not by the weight of heavy artillery or by using thousands of tanks; they succeeded by the simple expedient of utilizing man-power, skilled in the use of small arms in jungle warfare. We had the natural defenders of our country in our midst but we failed to accept their offer of service. Given a little training and the necessary small arms (which should have been made in the thousands in the country as part of our war effort from 1939 onwards) they could, and I believe would, have beaten the Japanese at their own game. They were willing to do their bit, and it is inconceivable that our administration was such that all offers of co-operation were turned down.
>
> This is the real reason why Malaya fell.
>
> The siege of Singapore from the mainland... might never have begun had we utilized the services of our own Asiatics, and a seaborne attack on the island would have been a vastly different proposition... The island's east coast defences, with their sixteen inch guns... could have blown the biggest ships approaching from the southeast out of the sea. To the best of

> my belief those guns never fired a shot -- they were pointing the wrong way.
>
> If, as I have been assured, two hundred and fifty modern fighter planes could have saved Singapore, it is inconceivable that a government which had spent sixty-eight million pounds sterling creating a colossal naval base with the object of guaranteeing Empire possessions in the Far East, could not have arranged such air cover to protect it.[93]

General Percival met Japanese General Yamashita, the "Lion of Malaya" in the Ford Motor Works, a symbol of the Western industrial prowess that had driven the development of the colony to serve the industrial appetites of Europeans and Americans, and signed the instrument of surrender on February 15, 1942. When he did so, he brought to an end the era of British supremacy that Stamford Raffles had inaugurated back in 1819. When Percival was led into captivity with his troops in the infamous Changi prison, the myth of European supremacy, cultivated so assiduously for a hundred and twenty three years, went with him. While General Percival was released at the end of the war, the myth had died with his captivity.

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[93] Ibid, pp. 11-12.

IV. 1942-1965 Transition To Independence

A. Introduction: The Occupation and its Legacy

The British had presided over a society in Malaya and the Straits Settlements designed to serve their economic interests, suppressing nascent nationalism that might threaten the colonial order. The colonial administration controlled the political life of urban centers overwhelmingly populated by immigrant, Straits born and *Baba* Chinese, as well as lesser numbers of ethnic Indians from the subcontinent and Ceylon. Their control extended into the Malayan peninsula by a mutually profitable alliance with the traditional Malay rulers whereby the British, by economic pensioning and outward deference, maintained the position and prestige of the Malay rulers in exchange for the right to exploit Malaya's resources by the means of immigrant labor. The Sultans' waning political power in the administrative affairs of state contrasted with increasing power within the shielded Malay community as the repository of all power concerning religious and cultural affairs. Referring to this, one thoughtful observer commented, "What the protectorate system protected most of all was the shape and structure of traditional society from the top down."[94]The result was a Malay society not sharing in the booming export commerce and living in a separate and unequal, if tranquil, social system.[95]

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[94] Cited in Stanley S. Bedlington, *Malaysia and Singapore The Building of New States*, (Ithaca and London: Cornell University Press, 1978), p. 37.
[95] Ibid, p. 37.

The Second World War and the Japanese occupation of Southeast Asia changed this arrangement rapidly and dramatically. While the Japanese were harsh and brutal overlords, the humiliating defeat that they inflicted upon the European powers that dominated the region since the arrival of the Portuguese destroyed forever the myth of the superiority of the "white man." Lee Kuan Yew, the primary architect of modern Singapore, was at the time a young man of sixteen. He later described the immediate transformation the defeat caused:

> [the Europeans] were stripped literally naked as prisoners of war, and became ordinary people. It was the Japanese ten-cent storeman who, backed by Japanese military might, suddenly became the big boss who occupied the big house and had the better life.[96]

The creeping nationalism on the peninsula and in Singapore had previously attached itself to events in the homelands of immigrants, primarily Chinese, and, to a lesser extent, the growing anti-colonial sentiment among Indians. The occupation of Singapore and Malaya, by localizing this nationalism, would draw ever more sharply the communal lines that caused the dilemmas of the post war struggles for self-determination.

Owing to the long and bloody struggles of the Japanese in mainland China, the Chinese in Southeast Asia came in for the most bitter treatment by the Japanese. The viciousness of the Japanese occupation owed its origins not only to events in China, but also to the fact that the Chinese on the peninsula formed the core of most of the resistance efforts there. Only the MCP was organized sufficiently to carry out armed resistance. The predominantly

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[96] Lee Kuan Yew, *The Battle for Merger*, (Singapore: Ministry of Culture, n.d.), pp. 10-11.

Chinese MCP withdrew to the Malayan jungles, forming the Malayan Peoples Anti-Japanese Army (MPAJA). By the end of the war the MPAJA, with assistance and arms provided by the British, built itself into a substantial, well trained and armed guerrilla force, drawing support and sustenance from the Chinese community. While never carrying out extensive operations against Japanese forces, their harassment and hit and run tactics tied down a large number of Japanese forces in Malaya.[97]

The Chinese who remained in Singapore experienced a vicious purge just after occupation, destroying any chance of willing cooperation between them and their new masters. Those who collaborated found themselves loathed. The Straits Chinese and *Babas*, already distanced from the Chinese community by language and affiliation, faced persecution and contempt on two fronts, from the Japanese as colonial lackeys of the British and from the China born Chinese for trying to hold on to their position and privilege under the Japanese.[98] As the core of the business and commercial communities, neither the Japanese nor the immigrant Chinese community nor, for that matter, the Malays, could do without them. Variously exploited, loathed, and courted by all these interests, the Straits Chinese and *Babas* had to walk a very fine line throughout the occupation to survive. More often than not, they found themselves facing the conundrum of trying to serve two masters, often associating closely with the Japanese and using that the fruits of that association to channel assistance to the Chinese community.

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[97] For an account of the activities of the MPAJA during the war see F. Spencer Chapman, *The Jungle is Neutral*, (London: Chatto & Windus, 1951)

[98] Minchin, p. 32-33.

With regard to the Malays, the Japanese conducted themselves much in the manner of the British, going them one better by including them more in the civil governance of the state. In 1943 the Japanese instituted district advisory councils in Malaya composed mainly of Malays, increasing their sense of participation in government and their confidence in their ability to do so. In that year they adopted a policy on the peninsula similar to that of the British in dealing with the Sultans. This obtained their acquiescence, if not their enthusiasm for the changes under the occupation.[99] As part of their increasing reliance on Malays in civil administration, the Japanese relied heavily on a mainly Malay police force to suppress the Chinese, a disaster for race relations. The impact of this preferential treatment was even more divisive in Singapore (renamed by the Japanese *Syonan*, or light of the South) where the Malays were a much smaller minority.[100]

A small group of left-wing Malays, suppressed by their own conservative leadership prior to the war, actively cooperated with the Japanese. Elements of an early Malayan nationalist party the *Kesatuan Melayu Munda* (KMM), formed in 1937 on the twin principles of throwing off colonial rule and bringing about a united Greater Indonesia or Greater Malaya to encompass all the Malay races in one nation or *Melayu Raya,* had aroused the ire of both the traditional Malay rulers and the British. Never a mass movement, its leadership was nonetheless an unpleasant thorn in the side of both power centers. In 1940, just prior to the war, the KMM published some articles containing strong criticism of British colonial rule in the expanding vernacular press. Consequently the British arrested and detained without trial its leaders and some of its tiny membership. When the Japanese released the detainees, they resumed their political activity. The Japanese eventually proscribed the KMM in favor of an organization they could exercise more control over called PETA (*Pembela Tanah Ayer* or Our Country's Avengers). This was an armed militia under the command of the founder of KMM, Ibrahim Yaacob, a Malay whom the Japanese-appointed a lieutenant colonel.

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[99] Bedlington, p. 63.
[100] Minchin, p. 32.

As the War began to go badly for the Japanese, PETA reorganized itself as *Kesatuan Ra'ayat Indonesia Semenanjong* (KRIS, or Union of the Indonesian Peninsular Peoples) and attempted to have Malaya included in the Declaration of Independence the Japanese had promised to Indonesia. Discussions held with Hatta of Indonesia negotiating with the MCP in Taiping, and Sukarno negotiating with the Japanese High Command in Saigon, failed to produce the desired results. The scheme, thwarted by the rapid and unconditional surrender of the Japanese and demands by the MCP in Taiping that the Malays be disarmed, produced no lasting political result.[101]The movement, quashed quickly when the British returned in 1945, saw its leaders either imprisoned for collaboration or fleeing to exile in Indonesia. Out of its ashes The Malayan Nationalist Party (MNP) would later arise, the only ethnic Malay organization to flirt seriously with communism and associate with the MCP.

As for the Indians, the Japanese sought to harness them, with other Indian expatriates in the conquered territories, into an anti-colonial army to assist in the task of driving the British from India. Subhas Chandra Bose, the militant anti-British Bengali, headed this Indian National Army. Twice during the war years the base for his force was Singapore.[102] A provisional Indian Government-in-exile called *Azad Hind* also established itself under Mr. Bose. Collaborators, attracted either by enthusiasm or expediency, were the only Indians not driven underground. As the war progressed, the Japanese sent non-collaborating Indians north in increasing numbers as slave labor on the Siamese "Death Railway" and Japanese-Indian relations became more and more contentious. The British also quashed all the pro-Japanese Indian organizations upon their return but the heightened sense of political awareness remained.

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[101] Minchin, p. 36.

With the sudden end of the war the British returned to Malaya and Singapore with plans to re-impose their rule, albeit in a new more "progressive manner." The twin prongs of the new British policy were first, separating Singapore from Malaya to be ruled as a separate crown colony and second, incorporating Penang and Malacca into a new Malayan Union with common citizenship for all Malayan born, regardless of race. The latter policy provoked an emotional reaction in the Malays. Long shut out of the political and economic life of their homeland, the Malays were eager to assert their political and economic rights to counter years of what they rightly viewed as exploitation by both the British and the immigrant Chinese. The political climate the British found upon their return, however, was far different from the one that had prevailed prior to their defeat at the hands of the Japanese. James Minchin describes the effect of the end of the occupation and the "parting gift" of the Japanese:

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[102] The Indian National Army never became a significant force and had no impact on the war, except as a propaganda tool of the Japanese against British imperialism. As the Allies advanced in Southeast Asia, Bose fled the area, seeking protection from the Japanese. He died in August 1945 when a plane taking him from Formosa to Japan crashed.

> Almost overnight the political center of gravity moved across the Causeway from Singapore. The island began to look more like a Chinese Gibraltar than the headquarters of the peninsula, with organic control of its economic, administrative and military affairs. From that time, attempts to bring Singapore back into Malaya or to intensify the contradictions of Malayan society and consolidate the struggle of urban or rural poor could be frustrated by the threat of racial tension. The government in power could also have a ready-made excuse to delay reform and justify suppression.
>
> The parting gift of the Japanese to the British was a Pandora's box not just of anti-colonialism but of heightened communalism.[103]

The post war years were heady times with the struggle for freedom from colonial rule played out throughout Southeast Asia. The rising tide of nationalism and the emergent battle of the communist and non-communist world placed Southeast Asia at center stage in this new drama. The blurring of these two movements, nationalist and communist, and confusion concerning their linkage was the cause of tremendous strife in Southeast Asia. Malaya and Singapore were no exception. Among the results of the war was the fact that there existed in Malaya a well armed and organized communist fighting force, mostly Chinese, looking for inspiration to mainland China and a more politically aware Malay population, eschewing the communist line (viewed by Malays as the "Chinese" line) but impatient to take control of their own destiny.

Singapore, at the base of the seething peninsula, echoed or reacted to these events in various ways as it matured politically. In the first phase of its existence, economics, controlled by Europeans and benefiting both the colonizers and the Chinese, had driven the events that shaped Singapore. In this new post-war era, politics would take the wheel and drive events that eventually led to an unlikely end, the birth of the independent Republic of Singapore, an island nation of barely 240 square miles, with no natural resources and without sufficient water to keep its population of some two million supplied with the most fundamental substance for maintaining life. It would also be the crucible from which would emerge one of the most remarkable politicians of the twentieth century, Lee Kuan Yew, and an almost equally remarkable and dedicated group that formed the core of the People's Action Party that has governed Singapore ever since.

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[103] Minchin, p. 37.

In the section that follows, the political maneuvering for control of Singapore and the battle for merger with Malaya and the British Borneo territories will be examined, sometimes in laborious detail. This period of transition to independence is critical to understand, as it was during this time that the PAP earned it political stripes. The methods it learned, such as detention without trial, libel suits against political opponents, and the "iron law of oligarchy" in controlling the party, remain part and parcel of the PAP today in a much less turbulent era. It is largely the continued utilization of these "tools of the trade" that result in criticism of the government of Singapore today.

B. Politics

The Japanese occupation heightened political awareness on the Peninsula and Singapore and increased the desire of the non-European peoples there for self-government. The British, by their policies after their return, added further fuel to the fire. The British Military Administration (BMA) which initially took control after the war was characterized by corruption and inefficient management. The popular appellation circulating through Singapore following the war was that BMA stood for Black Market Administration.[104] A British economist, T.H. Silcock, who lived through that period maintained, as did others, that the British did more to discredit colonial government in its post-war administration than the Japanese ever did during the occupation.[105]

Political lines were sharply drawn as the anti-colonial sentiments of the people were inspired by both local and world events. The Malays organized to protect the special privileges that the traditional rulers had always enjoyed and to extend Malay influence into the real centers of power. These they saw as threatened by British imperatives to grant equal citizenship to immigrant populations. The Indians, also responsive to events in the subcontinent, formed political groups and involved themselves in unions, influenced by British socialists. Their relatively small numbers limited their political influence in the unfolding struggles.

The immigrant Chinese, who suffered the most under occupation, internalized a deep resentment of foreign domination. The Chinese, inspired by the dynamics of the struggle in their homeland, divided their loyalties between the KMT and to an increasing extent, the rising tide of the communists under Mao. Again the Straits born and *Baba* Chinese found themselves in a difficult position. Culturally isolated by language and by virtue of their English-language education, these elements of the society had based their plans before the war on advancing in the existing colonial order. When the war ended, many were anxious for a return to the pre-war order that had long provided the opportunities for upward mobility. That is was this latter group of ethnic Chinese, by enlisting English-educated Malays and Indians to their cause, who formed the core of the party that would eventually dominate politics in Singapore is, in retrospect, an unlikely outcome. The English-educated were nominally the most acceptable group from the perspective of the British and this certainly worked in their favor. They were able to unite the populace, distanced from them by language and culture, behind their movement, discrediting and eliminating the communists and triumphing over the politics of race. This, in itself, was a remarkable accomplishment.

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[104] Minchin, p. 38.
[105] Op. Cit. in Minchin, p. 38.

On April 1,1946, the British ended the military administration of Singapore and Malaya. As has been noted, The Straits Settlements were dissolved, Penang and Malacca were incorporated into a new Malayan Union and Singapore was made a separate Crown Colony, to be governed directly from London. The Union was replaced by the Malayan Federation in 1948. The British maintained the separation of Singapore because of the ethnic imbalance its large Chinese population would have introduced in the new Malayan Federation and the strategic importance Singapore still played in British defense plans in Asia.[106]

The year 1946 also marked the first elections in Singapore, for six of thirteen "non-official" positions on the Legislative Council that, under a new colonial constitution was to assist the governor and his Executive Council in managing the colony's affairs. The electoral franchise included only British subjects. Twenty-two thousand registered and 65% voted. Although inconsequential in government, this did stimulate the formation of political parties.

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[106] Milne & Mauzy, p. 45.

The Malayan Democratic Union, a communist front, organized but boycotted the elections and organized protests against the new constitution. The Progressive Party formed in 1947, represented English-educated, pro-British business and professional interests. It was the only party to contest the elections, winning three of the six seats, the remainder going to independents. The Progressives advocated constitutional reform toward self-government but had no anti-colonial fervor.

At about the same time, the MCP ended its moderate stance of seeking a political role through constitutional means. This policy was discredited when the MCP discovered that its leader during the war, Lai Teck, was a double agent. He had served both the British and Japanese. The militant Chinese chauvinist Chin Peng assumed leadership of the MCP. Following the conclusion Malayan Federation Agreement he led the MCP, including most of its Singapore elements, into the jungles of the peninsula and began a period of armed resistance. The British declared a state of emergency in Malaya on June 18, 1948.

The threat of "The Emergency" has important distinguishing characteristics. Leadership was firmly in the hands of the MCP and the armed factions that comprised the guerrilla army were almost entirely Chinese, deriving their support overwhelmingly from the Chinese community. This continued the pattern established by the MPAJA of the Second World War.[107] By 1955, the armed struggle had ended for the most part. As a consequence of effective British anti-insurgency tactics, the prospects of immediate success for the armed revolt had considerably dimmed by 1954. The MCP lost much of its ideological appeal when the British promised national independence. From 1951 onwards, the People's Republic of China, which inspired the MCP movement, shifted its foreign policy to one of united front tactics based on peaceful coexistence between Asian states.[108] The official "emergency" was formally ended by declaration of the Malayan government in 1960.

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[107] Bedlington, p. 76.

The last five years of the struggle had consisted mainly of mopping up operations, eventually driving the last insurgent elements into sanctuaries across the Thai border. While characterized as a "communist" insurgency, the emergency appealed much more to Chinese nationalism than it did to any overarching communist ideology. The violent years of the emergency, which also witnessed the birth of an independent Federation of Malaya, further aggravated the ethnic tensions on the peninsula and aroused Malay suspicions of all things Chinese. Many of these suspicions were directed at the Chinese-tinted island across the Johor Strait.

Lee Kuan Yew and the Founding of the People's Action Party

Following the war, Lee Kuan Yew, Singapore's future Prime Minister, resumed his pursuit of the established means of obtaining upward mobility, a university education in England. Lee was a Straits born Chinese whose family had been in Singapore for three generations. He spoke no Chinese and had served the Japanese during the occupation as a translator in the Singapore branch of the *Domei* news agency. There is much speculation concerning his wartime years of possible connections with British intelligence although no confirmation of this. During the latter phases of the war, Lee used his position to funnel more accurate war news to the Chinese community and to circulate information contradicting Japanese propaganda. He slipped away from the agency in early 1945 when Japanese suspicions were aroused and stayed underground until the end of the war.[109]

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[108] Ibid, p. 82.

A remarkable student, he graduated from Cambridge in Law with double honors and a star for special distinction. This distinction was the first for a Chinese from Malaya. Following completion of his degree, Lee moved to London for formal law training. There he became associated with The Malayan Forum. This was an expatriate student group, dedicated to promoting national independence in their homeland. Here Lee met many who would become leading lights of the independence movements in Malaya and Singapore. These included Goh Keng Swee, who would eventually become his second in the People's Action Party (PAP) and the architect of Singapore's economic transformation, and Toh Chin Chye, with whom he was acquainted with from his days at the prestigious Raffles Institution before the war, who would be the PAP's first chairman. He also met Abdul Razak, (later Tun Abdul Razak) who would become a vital member of the ruling Alliance party of Malaya and Malaysia's second Prime Minister.

Convinced that the days of British colonialism were numbered, many of the students, whose previous prospects for success were historically tied to the fortunes of the British, viewed with apprehension the growing influence of the communists in Malaya. The challenge, as Lee put it in a speech to the Forum, was for the students to take the lead in the independence movements on their return or see the prerogatives they had cultivated for themselves removed by the communists.

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[109] Minchin, p. 35.

Lee expressed his views in a speech before the Forum:

> ...if we do not exercise leadership, it will come from the other ranks of society, and if these leaders attain power, as they will with the support of the masses, we shall find that we, as a class, have merely changed masters. The difference between the British, the Japanese and the new masters who will arise if we remain unorganised will be a difference only of degree and not of kind.'[110]

The dilemma, as Lee saw it, was that the students would have to put their vested interests in the colonial order aside and take a leading role in sweeping that order away. If they did not, they along with their British patrons, would be swept away, missing the chance to join the elite that most had anticipated for so long. Lee Kuan Yew returned to Singapore in 1950, with the emergency across the causeway dominating regional concerns, and a strange quiescence in the political scene in Singapore. The quiet was due only to the swift detention of the remaining elements of the MCP who remained in Singapore following the beginning of hostilities.

In 1951 Singapore was made a city by Royal Charter and a second election was held for a city council and an increased number of seats in the Legislative Council. The franchise was again limited to British subjects. The British-oriented Progressive Party predictably dominated the elections.

In 1953 the British recognized the disturbing trend in Singapore of Chinese affiliation with both events in mainland China and the revolt on the peninsula. As the armed revolt was contained on the peninsula, the MCP turned its attention to Singapore. There it attempted, somewhat successfully, to infiltrate both trade unions and Chinese-language secondary schools. The British, in an effort to guide Singapore toward self-government which would steer leadership into the hands of the English-educated (and hopefully pro-British), convened the Rendel Commission to recommend constitutional changes.

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[110] Ibid, p. 46.

The Rendel Constitution recommendations, accepted by the Singapore government, included the replacement of the Executive Council, appointments to which were controlled by the British, by a Council of nine ministers, six elected and three appointed by the Governor. The Council would be headed by a Chief Minister who would be the leader of the majority party in the new body. The new Council would act as a cabinet and have collective responsibility for all matters except defense, external affairs and internal security. The proposal also included a new Legislative assembly of 32 members to be elected by an almost universal franchise to whom the Council of Ministers would be responsible. The Rendel Constitution ignited political awareness in Singapore as never before and the formation of political parties began again in anticipation of the elections scheduled for 1955.

David Marshall, an English-educated lawyer of Iraqi-Jewish extraction, joined forces with two former members of the Singapore Labour Party, Francis Thomas and Lim Yew Hock to form the new Labour Front in July, 1954. The pro-British party of the right, the Progressive Party, unabashedly pro-colonial and , without any base for grassroots support beyond the commercial community, began to amass a war chest of political contributions with which to curry the favor of voters. The Democratic Party, formed in

February, 1955 by the Chinese Chamber of Commerce, appealed to traditional and well heeled Chinese commercial interests.

In November, 1954 the People's Action Party was founded. Lee Kuan Yew assembled a group of like-minded English-educated associates and an unlikely group of the far left to carry forward the vision he first formulated during his stay in Britain. True to his original assessment, Lee's group of confederates would attempt to build its following among the poor and non-English speaking people. The coalition of forces that initially made up the PAP was a group that had in common only one goal, independence from British rule. Beyond that there were large differences on key points, social and economic policy, internal security policy and most importantly, independence through merger with Malaya. The political battle for control of the PAP between the moderates of Lee Kuan Yew and the leftist and communist factions is not only fascinating, it additionally provides evidence of the political tools which the PAP leadership continued to use, once it had firmly captured control of the Party, to keep political opposition firmly in check.

The Early Peoples Action Party and Struggle for Control.

Lee Kuan Yew's life in Singapore, following his return from Britain, does not belie a man planted in the fertile ground for left-leaning politics. He was presented to the Bar and began practicing law. A more bourgeois oriental gentleman could hardly be found. Married soon after his return to Kwa Geok Choo, also a British educated attorney whom he had courted while in England, the couple settled in a comfortable house in Singapore. Lee bought the classic symbol of affluence in Southeast Asia, a Studebaker, and enjoyed his leisure by breeding Alsatians.

Communal violence had erupted in Singapore in 1950 in what were known as the Maria Hertog riots. The riots were triggered by a story and photograph in the Malay language newspaper, *Utusan Melayu,* concerning a Dutch girl who had been sheltered and raised by Malay Muslims during the war. After the war she had been taken from them and sent to a convent by a European judge. Lee was charged with the defense of some Muslims accused of murder in the riots and, despite what he felt was their guilt, had them acquitted. He viewed this exercise as a political trial to mete out false justice to contain the seething communal forces that threatened order in the colony. It is ironic that Lee's success in this case, and in others in the years that followed left a sour taste in his mouth concerning the principle of trial by jury. Once the PAP took control of the government, trial by jury was eventually eliminated.[111]

Lee's initial political involvement was with the "proper" elements of pro-British organizations, the Straits Chinese British Association (SCBA) and the Progressive Party (PP). The attraction to the PP was it platform of merger with Malaya, but Lee became disaffected by the party's resort to bribery and demagoguery.

In the wake of the Hertog riots Lee was retained by the owner of the *Utusan Melayu* for legal advice. The owner, Yusof Ishak (later to be Head of State and Singapore's first President) was an uncompromising Malay nationalist and was well connected with Malay political centers. Through Yusof, Lee was introduced to the entire range of the Malay political spectrum.

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[111] Lee has, through the years, cited numerous examples from his legal career where he obtained acquittals of guilty defendants in cases ranging from petty gambling operations and tax evasion to murder. Trial by jury was eliminated in two phases, for non-capital crimes in 1959 and for capital crimes in 1969. See Minchin, p. 82.

Yusof had access to Malayan United National Malays Organization (UMNO) and its leader, Tunku Abdul Rahman. Yusof's own multi-racial approach put him somewhat at odds with the policy of entrenched privilege and protected tradition that prevailed in the Tunku's UMNO organization.

The paper's editor, Samad Ismail was fervently nationalist and Marxist as well. Through Samad, Lee was introduced to Devan Nair, a radical Malayan born Indian labor leader who would become a key PAP functionary and later President of Singapore.

During this early period Lee and his colleague from his University days in Britain, Goh Keng Swee, were in contact with the British "Special Branch" which monitored political developments in Singapore and the peninsula and coordinated internal security efforts. It was through his Special Branch contacts that Lee met another key player in the emergence of the PAP, Indian journalist Sinnathamby Rajaratnam, who would go on to a long and distinguished career with the PAP, playing a key role in Singapore's foreign affairs.

Rajaratnam, also English-educated and a staunch anti-colonialist, steered Lee into the Union movement as the legal representative for the Uniformed Postal Staff Workers Union. When the Union went on strike in 1952 Lee impressed the unionists with his legal acumen and dedication to their cause. His very public arguments for the union resulted in a successful settlement and enhanced his image as an advocate against colonial interests. As a result of his success with the Postal Workers, Lee became the legal adviser to a large group of unions. This resulted in the creation of a group known as the Council of Action to provide a clearinghouse for civil service labor organizations in dealings with the colonial government. Lee Kuan Yew's connection to organized labor was to be the key to reaching a mass base of support for the PAP.

The political breakthrough for these English-educated leaders came in 1954 when Chinese Middle School students staged a mass protest against a national service scheme for military training (against the background of the newly signed SEATO alliance which included Britain, but not Malaya and Singapore). Many of the students were arrested and charged with sedition. Lee acted as assistant to the defense counsel for the students and for the University Social Club publication *Fajar* which had also been charged for publishing an anti-SEATO editorial that had characterized Malaya as a 'police state.' The journal was acquitted but the students lost their case.

This venture provided Lee entrance into the world of the non-English speaking Chinese majority where politics were deadly serious business and where the radical left was active and passionate. With the awakened political consciousness of the Chinese masses the Malayan Communist Party had the most to gain. At the center of this movement in Singapore was MCP operative Lim Chin Siong. Through Devan Nair and Samad Ismail, Lee was connected with Lim Chin Siong. Lim was active among the student movement, basing his organizing appeal on both pride in the new China and the insecurity of the Chinese in Malaya and Singapore. According to Lim, the Nanyang Chinese, were a stateless people receiving no consideration from the colonial government. Thus began the unlikely common front, the communists, leftist radicals and the English-educated nationalists that would provide the basis of the new Peoples Action Party.

On November 21, 1954 the new party was inaugurated in a meeting at Victoria hall in Singapore. On the platform with Lee Kuan Yew was Tunku Abdul Rahman of the UMNO and Tan Cheng Lock of the Malayan Chinese Association (MCA), respectively the Malay and Chinese faction leaders of the most powerful force in peninsular politics, the Malayan Alliance. This inclusion was meant to highlight the PAP's policy of independence through merger. Lee outlined the Party platform: the end of colonialism and the establishment of a democratic government for all Malaya, including Singapore, with universal adult suffrage; to entrench the right to work and its full rewards in the economic order; to abolish unjust inequities of wealth and opportunity; to guarantee social security to those unable to work; and to infuse a spirit of endeavor, national unity, self-respect and self-reliance.[112]

The "Rendel Elections" of 1955 and their Aftermath

In the 1955 elections, the PAP elected not to field a full set of candidates because of the restrictions of the Rendel Constitution and the Party's late organizing start. Under the terms of the Rendel constitution, the British retained responsibilities for internal security, which included the sweeping power of preventative detention without trial. Should the British conduct unpopular or controversial use of their power, the PAP rightly reasoned that any sitting government would be held equally responsible for such actions. To form a government under such restrictions was seen to be counter to the long term interests of the party. The view of the PAP (although not entirely accurate throughout the dissolving British empire) was that those who took power before independence rarely retained afterwards.

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[112] Minchin, p. 74.

The PAP fielded four candidates and a fifth supporter, Ahmad Ibrahim, as an independent. Of the 300,000 registered voters, over half actually voted, as opposed to only about a third in the previous election's more limited franchise. The results, in the confused political milieu of the first real elections in Singapore, were predictably mixed. The PAP won three of the four seats it contested (including Lee's seat) and Ibrahim won his as well. The right wing vote was split. The Labor Front, under David Marshall, won the most seats, 10 of 17 contested, and was asked by the colonial authorities to form a government. Marshall was a charismatic figure who had staunchly resisted the Japanese and had been shipped to work as a slave laborer in the coal mines of Hokkaido during the war. The platform of the Labour Front was to seek immediate independence through merger with Malaya, abolition of emergency regulations and Singapore citizenship for its 220,000 China born residents.[113] The Party appealed for a "dynamic socialism" to counter the allure of communism.

With an unstable minority government with limited autonomy, the British were obliged to take another look at their plans for Singapore. The demands of the non-English speaking Chinese majority were finding increasing outlet in the newly seated assembly, both through the Labor Front Government of Marshall and the PAP "loyal opposition" representatives, particularly Lee Kuan Yew. The labor union movement strengthened itself in the more labor friendly atmosphere under Marshall's Labour government. Lim Chin Siong and his confederate Fong Swee Suan, also a leading PAP leftist (communist) took control of some important unions in 1954 (The Bus

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[113] Federal Research Division, Library of Congress, p. 49.

Workers and The Factory and Shop Workers Unions) and solidified their ties in the Chinese speaking middle schools. During 1955 the Hock Lee Bus Workers strike in April and May led to riots and bloodshed between strikers, students, secret society gangsters and police. The detention of six Factory Workers Union leaders in June resulted in public protests, as had an earlier effort by Chinese Middle School Students for registration of their union.

It was during this turbulent time that Lee Kuan Yew made a statement that would haunt him and although it probably accurately reflected the tenor of the times, it is also one of the many gaffes in "transparency" and off-the-cuff-remark that, although infrequent, have consistently marked Lee's career. This quote, reported by an Australian journalist, appeared in the *Straits Times* on May 5, 1955:

> "The Communists are certain to win and nothing and no one can stop them. Any man in Singapore who wants to carry the Chinese-speaking people with him cannot afford to be anti-Communist."[114]

The PAP attempted some damage control for these unfortunate remarks before the Party's second conference in June of 1955. They restated the Party platform for an independent, democratic, non-communist Malaya. Behind the scenes, the competing party factions struck a deal to "soften" the party's image and distance it from suspected communist elements. The more radical elements agreed to step down from the Central Executive Committee or not to stand for Committee election at the June conference. In exchange, the communists were granted complete control of the union movement, without restraint by the more moderate elements led by Lee. Both factions were buying time for the showdown that they ultimately knew must come.

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[114] Op. Cit. in Minchin, p. 78.

The PAP Party Chairman, Toh Chin Chye, also English-educated and a Lee confederate from both Raffles College before the war and The Malayan Forum in Britain following the war, proposed a united front of the PAP and the Labour Front in late 1955 to press for independence. The general view of the PAP was reflected in David Marshall's rebuff of having 'no truck with those who are playing footie footie with Communism.'[115]

In 1956 Marshall led an all-party conference to London for negotiations to accelerate Singapore's movement toward self-government. Lee Kuan Yew and Lim Chin Siong were the PAP representatives. The failure of the talks (contributed to by Lee's intransigence and political maneuvering) resulted in the resignation of Marshall. Lim Yew Hock took charge of the Labour Front government. Lim was more dependent on the British than Marshall and followed a more activist security line, detaining a number of leftists, including the PAP's Lim Chin Siong. This unfortunate line painted Lim Yew Hock with the British lackey brush and doomed his political future, much to the delight of the PAP. The decision not to contest for control of the government under the Rendel Constitution was, in retrospect, a wise one indeed.

In 1957 talks resumed once again in London for self-government and the proposals of the earlier year were modified to make them more palatable to both parties. A compromise was reached on the control of internal security by the establishment of the Internal Security Council (ISC). The ISC was comprised of three British nominees, three Singapore government nominees and a Federation of Malaya representative who would hold the casting vote.

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[115] Op. Cit. in Minchin, p. 79.

This arrangement played well for both the PAP and the Labour Front who were both in favor of merger. In these negotiations Lee showed, once again, his talent for back room political dealing. Through private contact with the Colonial Secretary, he had included in the agreement a clause which prevented those who had been detained for subversion from standing for office in the upcoming elections. This move would simplify his problem of containing the leftists in his own party and enhance the power of his moderate faction. When the agreement was accepted and made public, he took the popular position of protesting the clause as contrary to 'normal democratic practice.'[116] The practice of eliminating candidates on the basis of criminal convictions or wrongdoing is one of the many tools the PAP continues to use to hamstring the political opposition in Singapore. This, when coupled with a questionable degree of judicial freedom in modern Singapore, has become an effective and well used tool of political control.

While the talks in London addressed the issues of self-government, the struggle for control of the PAP was joined in Singapore. In 1956 the leftists gained four seats on the Central Executive Committee (CEC) and moved to give increased power to the branches, which they largely controlled. While these proposals were being hashed out and the moderates looked to be on the run, the Lim Yew Hock Government detained all the leftist PAP CEC members and the PAP cadres who were involved in union disturbances.

The following year, at the Annual Conference of the PAP in August, six leftists were elected to the CEC and, in protest over alleged improprieties in the party elections, Lee and five other 'non-communists' refused to stand for office in the new CEC. Ten days later, the Lim Yew Hock government detained five of the six leftists elected to the CEC.

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[116] Minchin, p. 84.

While Lee's complicity for these detentions has never been firmly established, the speculation that they took place with his knowledge if not his encouragement was fanned by Lim Yew Hock's statement in the Assembly in 1959 that he had done many good things for the PAP after discussions with their leadership.

With the leftists detained, Lee's faction took control of the cadre lists and the CEC. What resulted from all these maneuvers was a party structure in the PAP which resembled the Stalinist system of circular power. The CEC screened and approved the cadres and the cadres elected the CEC. Thomas Bellows described it as the 'iron law of oligarchy.'[117] Lee himself described it as the Pope choosing the Cardinals and the Cardinals choosing the Pope.[118] Prior to the elections of 1959, with the leftists still detained, the party went through a re-registration which limited cadres to Singapore citizens (excluding many extremists), over twenty-one and literate. Following electoral success in 1959, but before the release of the detained PAP leftists, Lee further consolidated his control of the party by filling out the CEC with two year appointments and limiting all non-CEC cadres to a temporary status of one year.

This was a vitally important development in the evolution of the PAP. The "élitist," Stalinist type system of separating the party leadership from the control of its membership remains to this day. This top down style of political control placed decision making power and party control firmly in the hands of the party leadership.

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[117] Thomas Bellows, *The Peoples Action Party in Singapore*, (Yale University : Southeast Asian Studies No. 14), pp. 24-28.
[118] Minchin, p. 88.

Singapore was marked by public turmoil between 1956 and 1959. The Lim Yew Hock government found itself in the unenviable position of trying to maintain order in an atmosphere of growing communist-led labor unrest and activism in the Chinese-speaking community. While the organizing of the Chinese community was largely carried out by MCP elements, few of the Chinese identified with communism and most eschewed violence. It was this type of politics that many had fled in China, and there was little real militancy in the Chinese community. When the government and the British Special Branch moved forcefully to suppress unrest and conducted security sweeps detaining the radical leadership, they were largely successful. When Malaya was granted its independence in 1957 the MCP lost much of its nationalist appeal and became ever more associated with Chinese chauvinism. Allegedly, the MCP leadership concluded a deal with the PAP to support the PAP in the 1959 elections in exchange for the appointment of some of its detained supporters as political secretaries.

When PAP functionary K.M. Byrne, a civil servant, uncovered evidence of corruption on the part of the Labour Front Education Minister Chew Swee Kee, Party Secretary Toh Chin Chye went public with the allegations. The PAP coalesced around the anti-corruption issue and resolved to contest the 1959 elections in earnest, putting up candidates for all 51 seats, many rapidly recruited in the final days before the elections. Herein lies the beginning of the PAP as the dogged fighter of government corruption. The party destined to lead by its moral authority, the modern mandate of heaven.

The 1959 Elections, The PAP takes Power.

The PAP took 53% of the vote in the 1959 elections, winning 43 of the total of 51 seats in the new Assembly. On June 5, 1959, the PAP took the reins of government in Singapore that it has yet to relinquish. True to his pre-election promise, Lee refused to form a government until the PAP detainees were released, and the British acquiesced to that demand. As earlier noted, however, prior to their release, Lee consolidated his control of the party machinery. Control, however, was still tenuous. Ong Eng Guan had, prior to the elections, been elected Mayor of Singapore on the PAP ticket and was poised to challenge Lee's leadership. Lee was chosen as prime minister over Ong only by Toh Chin Chye's casting vote in the CEC. A brash orator and fluent in Hokkien, Singapore's predominant Chinese dialect, Ong was an extremely popular figure. Following the elections the mayoral post and city council were eliminated and Ong was given the National Development portfolio in the new government, for which he was eminently unqualified and in which he performed miserably. When he challenged Lee's leadership of the party and leveled charges of nepotism and manipulation against him, the party moved against Ong. Using the evidence of Ong's failure in his ministerial post the PAP expelled him. The unsubstantiated charges he brought against Lee and K.M. Byrne were refuted. Thus, in a matter of just more than a year, Lee eliminated the major threats to his control of the party.

When, in 1961, Ong returned to the legislature, crushing his PAP opponent in a by-election, many blamed Lee for his very un-Chinese personal attacks on Ong's character. The importance of Ong's victory was lost on neither the PAP nor the Alliance government in Malaya, still wrestling with the question of merger. The ruling Alliance was a coalition of three parties on the peninsula, each organized along racial lines. The United Malays National Organization (UMNO) represented Malay interests. The Malayan Chinese Association (MCA) represented Chinese on the peninsula. The Malayan Indian Congress (MIC) represented the Indians. Leadership of the Alliance was firmly in the hands of Tunku Abdul Rahman of the UMNO. With fears of the MCP still evident, the victory of Ong, as a underdog Chinese-speaking candidate running against a former leftist detainee put up by the PAP, with impeccable anti-British, pro-labor credentials, indicated that support for the left derived from Chinese chauvinism and not the contrary. The victory of Ong indicated to the Alliance the power of the Chinese in Singapore to organize themselves along communal lines, outside the compliant organization of the MCA. The PAP reinvigorated its efforts to connect with the Chinese and began to cultivate members who would support their line who were proficient in the dialects. Lee resolved to learn Hokkien and made fresh overtures to the Tunku in Malaya for merger. The prospects for rising Chinese chauvinism in Singapore made the idea of control through merger an increasingly attractive proposition to the Tunku.

Toward Merger with Malaya to Form Malaysia

Tunku Abdul Rahman, Malaya's Prime Minister, was pro-British for a number of reasons. Malaya had gained its independence on very favorable terms, based on its common front with the British to fight the communist menace in its jungles. The British had also supported the political dominance of Malays in the post-colonial government, fearing the menace of a communist leaning Chinese population, and perhaps attempting to redress the inequities of the colonial order which had placed the Malays in a very disadvantaged position.

The Tunku's positions during the period of the early sixties which led to merger were heavily influenced by the British. The strategic utility of Singapore had diminished somewhat with the resolution of the Suez crisis. The volatility of Singapore's politics and the generally compliant relationship the British had cultivated with the new Malayan government, led them to reassess their policy of a separate Singapore and move to one favoring some type of merger. The Malayan leader, fearful of the effects of trying to absorb Singapore's huge Chinese population, was in favor only of an arrangement that would include Britain's other colonies in Borneo, balancing the ethnic impact of merger. The rise of the Communist party in Sukarno's Indonesia (the PKI) also contributed to the general sense of disquiet that argued for merger. There were fears that Singapore's political volatility might eventually result in a "Chinese Cuba" at the base of the peninsula, trying to export revolution should the communist elements gain control. Both the British and the Tunku believed that such a threat could be best dealt with by including Singapore within the Federation.

The Tunku went public with his ideas for a merger of all the former British colonies in Southeast Asia on May 27, 1961. Although historians point out that the Tunku's initial statement was mooted more as a trial balloon to the Borneo territories than as a statement of intent.[119] The PAP pounced upon the proposal and began an intensive campaign in Singapore to win its approval.

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[119] M.N. Sopiee, *From Malayan Union to Singapore Separation*, (Kuala Lumpur: Penerbit Universiti Malaya, 1974), p. 140.

The merger issue set the stage for the final struggle for control of the PAP. The leftist elements wanted no part of Malaysia. Staunchly anti-communist, the Malayan government in concert with the British had effectively eliminated the leftists on the peninsula. Intolerant of left-leaning Chinese, the Malayan government could be expected to conduct a ruthless campaign to eliminate them as a political force. Thus began a fight on two fronts for the moderate faction of the PAP, one, to secure control of the party in Singapore and the other to lobby for the most favorable merger terms possible with the Malayan government to preserve political power equivalent to their numbers, their economic clout and the defense value of island to the proposed Malaysia.

Shortly after the Tunku's proposal surfaced, the PAP lost another crucial by-election, with David Marshall being returned to Parliament. In an emergency session of Parliament. Lee called for a vote of confidence and barely survived. Thirteen PAP leftists crossed the floor and joined the opposition. The PAP held the bare majority of 26 seats in the 51 member assembly. On July 26 the defecting members formed the *Barisan Socialis* (Socialist Front).

The crisis for the PAP was real. The leftists controlled the majority of the party grassroots. By some estimates some 80% of the members resigned, were expelled or let their subscriptions lapse.[120] The brink of defeat caused an immediate reorganization in what remained of the party, cultivating former PAP members back the active role and the CEC taking absolute control of the cadre list in strict secrecy. The PAP was only able to maintain control of the government by enlisting the support of the non-leftist members of the Assembly. As Bedlington notes: "Whatever intraparty democracy had existed before was stifled once and for all: the PAP had learned a bitter lesson."[121] Factionalism would never again be tolerated in the PAP.

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[120] Pang Cheng Lian, *Singapore's People's Action Party*, (Singapore: Oxford University Press, 1971), pp. 14-15.

With a tenuous hold on government, maintained only due to the ineptitude of the opposition, Lee and the Tunku reached formal agreement on the terms of merger in August, 1961. Goh Keng Swee proposed a referendum be held in Singapore on the Malaysia proposal. What eventually emerged from this proposal was a referendum in form, not in fact. The ballot was reduced to a choice between different merger proposals on the pretext that this was appropriate given the approval of the legislature for merger. Lee and Goh successfully fended off a threat to the proposed merger when the *Barisan Socialis* brought the matter before the United Nations Special Committee on Colonialism. Lee was at his rhetorical finest and the UN refused to send election observers for the upcoming referendum, scheduled for September, 1.

The campaign was a very lively affair, and in a foreboding move by the Tunku, there were threats that if merger was rejected, the causeway might be closed by implication threatening the water supply (This is a tactic that has cropped up from time to time in the stormy relationship between the two countries). Despite all of the PAP's gerrymandering of ballot choices, the issue remained very much in doubt and the period of waiting for referendum results to come in was a tense one. Seventy percent of the marked ballots supported the PAP proposal for merger and despite the 25% unmarked ballots returned, a great victory was declared and the course for merger with Malaya was set.

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[121] Bedlington, p. 205.

Late in 1962, events outside Singapore had significant repercussions on the local political scene, contributing to further consolidation of the PAP's control. On December 8, there was a revolt in Brunei led by Sheikh Azahari. The rebellion was contained by British forces and completely crushed by December 18. While this was taking place in Brunei, the backdrop in Singapore was one of unrest as well, with troubles at Nanyang University, the Chinese language school, and in Singapore's leftist led unions. The British Special Branch had been aware of connections between Singapore's leftists and Azahari. Shortly after the rebellion, the Internal Security Council ordered a security sweep. Early on the second of February, 1963, Operation Cold Store swept across the peninsula and Singapore. One hundred and eleven suspects were detained.

The Operation Cold Store sweep decimated the *Barisan* opposition in Singapore, arresting its leadership, including Lim Chin Siong and Fong Swee Suan. That Lee used these events to wipe out his opposition was clear. His efforts to distance the Singapore government from the operation were unsuccessful. He was attacked by both Lim Yew Hock and Malayan Alliance members for his duplicity. Backtracking, Lee explained the arrests as a move against the communists to forestall their attempts to prevent merger and turn Singapore 'into a Cuba, from which they [communists] hoped to mount an offensive against the Federation of Malaya.'[122] The trial of the leftists, held in August, was characterized by a British QC brought in for the proceedings as one which 'has wholly failed as a criminal proceeding. It is a case which has much to do with politics but very little to do with criminal law.'[123]

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[122] Alex Josey, *Lee Kuan Yew*, (Singapore: Asian Pacific Press, 1971), p. 169.

The Elections of 1963, The PAP Takes Command of Singapore, Merger With Malaysia.

Television transmission began in Singapore in February, 1963 and the government took maximum advantage of this new communications tool. The government placed television sets in all the community centers which it had been building in conjunction with its housing program. The medium transfixed those who had access to it and the government dressed up its accomplishments in programming in all of Singapore's major languages.

On July 8, 1963, the Malaysian Agreement was signed in London, finalizing the terms for merger of Singapore with Malaya and the Borneo territories of Sabah and Sarawak. When the Tunku delayed Malaysia Day, Lee, on August 31, unilaterally declared Singapore independent, 'on trust' until Malaysia was inaugurated. This unilateral declaration enabled Singapore to obtain some last minute concessions from both the British and the Tunku.

Shortly thereafter, on September 4, the government, using a tactic that it would later repeat, called for elections giving the minimum notice of 12 days. With celebrations scheduled to mark the merger scheduled, the PAP had booked every hall capable of holding any sizable assembly. It also had a virtual lock on all local printing, effectively hamstringing any organizational efforts on the part of the opposition. Prior to the campaign, Lee played a masterstroke, deflecting political pressure which tried to capitalize on the recent discovery of a large cache of bones from the war and Lee's courting of Japanese investment. Lee played up the Japanese 'blood-debt' issue and passed non-cooperation resolutions against the Japanese that answered the political pressure but did nothing to effectively limit much needed Japanese investment.

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[123] Minchin, p. 128.

With control of the traditional political ground and the new television medium used unabashedly in their favor, the PAP went further, de registering seven leftists unions and freezing the funds of the *Barisan* trade union organization, SATU (Singapore Association of Trade Unions). The election rhetoric was that of the disaster that would befall Singapore if a leftist government came to power. Despite denials from across the causeway, the PAP maintained that the constitution would be suspended if an extremist government came to power in Singapore, and emergency powers would be used to govern from Kuala Lumpur. This type of fear-mongering of the disastrous results that would befall Singapore if the PAP were to fall from power persists to this day. Malaysia Day was observed during the campaign on September 16, 1963 and Singapore became a state of the independent Federation of Malaysia. Regionally, Sukarno of Indonesia voiced his criticism loudly. He regarded the whole enterprise of Malaysia as a deep seated neo-imperial British conspiracy.

The September sixteenth election was a stunning success for the PAP. The Party polled 47.5% of the votes and took 37 seats in the Assembly. The *Barisan* took 32.1% and returned 13 legislators. Singapore, independent of the British at last as a state of Malaysia, would, under the PAP, attempt to make its influence felt in the new nation. The 15 PAP ministers to the federal government in Kuala Lumpur took up the role of the 'loyal opposition.' In their first political act the PAP opposed the Malaysian budget as encouraging a rentier economy over the development of productive industries. The clash between the contrasting styles and aspirations on either side of the causeway and the racial divisions, both exacerbated by pressures from without, would produce powerful centrifugal forces that would act on the new partners in the next two years.

Malaysia Breaks, the Birth of an Independent Singapore.

In retrospect, it seems obvious that the merger of Singapore and Malaya was doomed to failure from the start. The Malayan government accepted the proposal because it believed it had a better chance to control the leftist elements on the island and retain the political concessions to Malay power obtained in negotiations with the British. The PAP pressed for merger because it believed that eventually the political center of power would shift back across the causeway to Singapore. Then Singapore would lead the new nation into progress and prosperity by creating a successful multi-racial society.

Each party underestimated the ambition and effectiveness of the other and its ability to influence events in the other's camp. The UMNO's political philosophy and that of the PAP were diametrically opposed. The UMNO maintained that the separate races must each first unite politically to enable each to pursue national unity in collective coalition with the others. The PAP's philosophy was that only multi-racial politics could produce national unity. The PAP encouraged people to unite along economic lines to progress together toward a more equal society, a "Malaysian Malaysia." This is not a surprising position for a group which represented those who held the lion's share of the economic power. What the PAP saw as subterfuge, the politics of race, the UMNO saw as salvation.

The death knell for the Federation was probably sounded early in 1964. With Lee Kuan Yew away from Singapore, leading a delegation from Malaysia through the African states, the PAP CEC decided to contest the federal elections on the peninsula. This move specifically violated a promise Lee had made to the Tunku in November of 1963 not to do so. Whether Lee had knowledge of this and approved it prior to his departure is a matter of speculation. Given his control of the CEC it is hard to fathom that he did not. It is possible, however, that the move was made in his absence by other ambitious and impatient CEC elements, perhaps led by Goh Keng Swee, to force Lee's hand.

Whatever the truth of the matter, when Lee returned he had little choice but to support his party and put the best 'spin' he could on this transgression. The UMNO was predictably outraged and the rhetoric and political posturing on both sides of the causeway became increasingly antagonistic. Although the PAP fielded only nine candidates, the UMNO rightly perceived this as a first attempt to gain a foothold in the urban constituencies controlled by its Alliance partner the MCA. In the vitriolic rhetoric, charges of racial chauvinism were slung from both sides of the causeway. On April 4, Syed Jaafar Albar, Secretary-General of the UMNO told the PAP to 'stop antagonizing the Malays, and stop provoking them, otherwise the Malays will throw democracy overboard and start using fists to teach the PAP democracy.'[124] In the election, the PAP fared badly, with only one of its candidates, Devan Nair, winning a seat in Kuala Lumpur. The MCA, whom the PAP had tried to discredit as irrelevant, won 27 seats. The notion that the PAP could break the power of the MCA and grab the urban Chinese from them was thoroughly debunked. Despite the trouncing of the PAP, the damage had been done and the notion of cooperation between the PAP and the Alliance destroyed.

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[124] Josey, p. 201.

In 1964 the issue of race would come to the forefront in the new federation. On July 12, Syed Jaafar Albar, organized a Muslim Convention in Singapore to attempt to make political inroads against the PAP among the Malay voters there. He spoke against the PAP government and the victimization of Malays. Lee scheduled a meeting of Singapore's Malay leaders to counter both the influence of Jaafar and increasing propaganda from Indonesia against the PAP's treatment of Malays. In a lengthy address he reiterated his three priorities for improving the lot of Malays in Singapore; education, employment and housing reforms.[125]

On July 21, during the celebration of the Prophet Mohammed's birthday there was huge communal rioting. Twenty-two people were killed and more than 450 were injured and a curfew was instituted to quell the violence. Upon his return from the United States the Tunku obliquely charged the PAP with encouraging the rioting by its very public pronouncements and battles with the UMNO. The Tunku traveled to Singapore on July 19 and spoke about the violence. His omission of any mention of Jaafar's political activity and the attacks on the PAP by the UMNO through the press preceding the riots irked the PAP leadership. The PAP's strident demands for an investigation into the cause of the riots were entertained cordially and then quietly lost in the bureaucracy of Kuala Lumpur. When communal rioting occurred again in Singapore in early September, a commission of inquiry was finally announced by the Kuala Lumpur government for the July riots.

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[125] Josey, p. 208.

Tension remained high for the remainder of the year and when the budget debates resumed in December, the PAP was in opposition once again over what it termed regressive taxation. This cause generated significant popular support, so much so that the Malaysian Government banned public anti-taxation rallies (in Singapore) , a move opposed by Lee and the PAP as stifling the debate. The Tunku, in the midst of the tax debate gave an indication of the drift in his leanings when he was quoted in the *Straits Times* as saying: "If the politicians of various colors and tinges in Singapore disagree with me, the only solution is a breakaway, but what a calamity that would be for Singapore and Malaysia."[126]In a speech in the Malaysian Parliament on December 18, Lee spoke with words that ironically might be directed by critics of his own government in Singapore soon after independence and beyond:

> Let us get down to fundamentals. Is this an open or closed society? Is it a society where men can preach ideas - the novel, unorthodox, heresies...- where there is a constant contest for men's hearts and minds on the basis of what is right, of what is just, of what is in the national interest? Or is it a closed society where the mass media - the newspapers, the journals, publications, TV, radio - either by sound or by sight, or both... feed men's minds with a constant drone of sycophantic support for a particular orthodox political philosophy? ... it is not only in communist countries where the mass media is used to produce the closed mind, because the closed society must produce the closed mind.[127]

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[126] Op. cit in Minchin, p. 144.
[127] Josey, p. 228.

In 1965 the battles between the PAP and the UMNO became more public and more heated. Lee warned of the dangers of communal politics in his New Year's message to the people of Singapore but the PAP continued in its exchanges with the UMNO leadership. In March the Government of Singapore submitted a memorandum to the Kuala Lumpur laying blame for the July riots squarely at the feet of the UMNO "ultras" (the PAP term for the Islamic right, whom Lee also called the "mad mullahs"). The memo attributed motives as follows:

> The riots were willed by irresponsible and reckless propaganda based on falsehoods and distortions of facts. Their purpose was principally to re-establish the political influence among the Malays of Singapore. An even more important objective was to use the Malays in Singapore as pawns to consolidate Malay support for UMNO in Malaya.[128]

The situation deteriorated throughout the next year, 1965. In the wake of the submission of the memorandum by the government of Singapore in April Lee sued Jaafar Albar for libel. The suit was based on attacks in the press in which Jaafar accused Lee of both responsibility for the riots and other political misdeeds and characterizing Lee as an enemy of Malaysia, agent of Indonesia and the communists.

This tactic of libel suits against political opponents, making them prove charges made in the political arena, is one that would be repeated often in the career of Lee Kuan Yew. The suit was not settled until 1967, in Lee's favor, when Jaafar was obliged to submit a retraction and apology in the case.

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[128] Text of Singapore Government Memorandum, March 1965, cited in Minchin, p. 145.

On the same day of Lee's filing of libel charges, PAP chairman Toh Chin Chye announced a forthcoming convention in Singapore to consolidate a united opposition front to the Alliance Government. The plans for the Malaysian Solidarity Conference were finalized just prior to the opening of the UMNO General Assembly, placing additional political pressure on the UMNO. At the UMNO Assembly a resolution for Lee's detention was barely defeated. Proposals for the radio and television in Singapore to be taken over were mooted as well.

The Malaysian Solidarity Conference was held in June in Singapore, consisting of mostly non-Malays from the territories outside the peninsula. Drawing the battle lines between the PAP and the UMNO on their different approaches to handling communal politics, the Conference further froze the PAP position and its threat to Alliance control in Kuala Lumpur.

The cross-causeway rhetoric heated up. There were now calls for Lee's arrest and detention. The Tunku, in London, had to quell the rumors and deal with British dissatisfaction over the expulsion of one of its citizens from Malaysia, Alex Josey, a journalist and longtime confidant of Lee Kuan Yew. In Singapore, plans were made by the PAP for the establishment of a government-in-exile in Cambodia should the Kuala Lumpur government move for emergency rule of Singapore.

On August 9, 1965, upon his return from England, the Tunku spoke before the Malaysian Parliament to announce the separation of Singapore from Malaysia. The separation agreement had been agreed to the day before by the PAP leadership and signed by Lee. The prospects of continuing communal strife and the violence that would surely accompany it were persuasive, in the end, to all concerned. That day, Singapore became perhaps the most reluctant newly independent nation of the post-war era.

C. Diplomacy

What is impressive concerning the diplomacy of Singapore in the period from the Second World War until the succession/expulsion of Singapore from the federation in August of 1965 is the fact that it existed at all. For all the preoccupation of internal politics, Singapore's early diplomacy is characterized by the wide scope of the net it cast in the international arena.

Lee Kuan Yew, during the period leading to merger, embarked on a world travel spree to enlist support for the union and to promote the position of Singapore in the world. This highlights two important facets of Singapore's leadership, first, the PAP was and is to this day, clearly no one man show. While Lee was its most dominant personality and the front man for the Party on the public stage, the top echelons of the party were an extremely competent group of dedicated and talented individuals. Government was in good hands in Lee's extended absences. Second, the Party recognized the value of world opinion and the necessity to muster support from abroad as vital to the survival and prosperity of a small state. This was important when the entity they were lobbying for was Malaysia and became vital when the Union was ended and Singapore became a tiny city-state.

In the following examination, diplomacy will not include negotiations and interactions with Britain, the metropolitan power. Those interactions have been discussed in conjunction with the political maneuvering for independence.

Indonesia, *Konfrontasi* and the Beginnings of Global Diplomacy

The main difficulty posed to the Malaysian agreement was the vehement objection of the Indonesian Government of Sukarno. Since the Bandung conference of 1955, Sukarno had become the self-styled leader of the non-aligned movement. The Bandung conference of the non-aligned Afro-Asian nations was in reaction to growing superpower rivalry and its extension to clients throughout the world. The non-aligned movement pursued a policy of neutrality and anti-imperialism in the face of this growing rivalry. The cold war came to Southeast Asia with the formation of SEATO in 1954 to contain the communist menace. The statements of the American Secretary of State, John Foster Dulles, that the neutralist policy was "immoral," given imperatives of the emerging bipolar world, only gave fuel to the anti-imperialist rhetoric of the movement. It aroused additional suspicions of those who maintained close relationships with western nations.

A combination of factors led Sukarno to oppose the formation of Malaysia, an entity he described as a neo-colonialist tool of the west. Indonesia's path to independence from Dutch rule had been much different and far more violent than the road followed by the British Colonies.

Sukarno had used the Japanese as a blunt instrument to consolidate power in Indonesia in an attempt to forestall the return of the Dutch following the war. Universally distrusted by the victorious allies due to his collaboration with the Japanese, Sukarno was feared by other nationalist Indonesian political factions. Following the war, Sukarno was forced to settle for a compromise solution. This involved Indonesian control of Java and Sumatra and a return of the Dutch to the remaining islands. The arrangement was untenable from the beginning. The Dutch, desperate for reconstruction money in Europe, had no intention of forgoing the extraction of wealth from its East Indies colony. Sukarno had no intention of letting the Dutch stay.

Ongoing violent confrontations between the Dutch and Indonesians, eventually leading to the capture of Sukarno and the Vice President, Hatta, finally led to an international outcry against the Dutch colonial position. Pressure from the newly formed United Nations and a threat by the United States to withhold Marshall Plan funds from the Netherlands eventually led to the independence of Indonesia. The vast and populous new nation was fragmented by ethnic divisions, racial differences and competing regional loyalties.

Since Indonesia's beginning in 1950, Sukarno played a dangerous balancing game with the competing factions in Indonesian politics. The strength of the communists in Indonesia and the close ties Sukarno maintained with Peking added to the cold war tinge that Sukarno's political posturing had in geo-politics. The two leading political parties were Sukarno's Nationalist Party (PNI) and The Communist Party of Indonesia (PKI). The PKI was, in the early sixties, the largest communist party outside the Soviet Union and The People's Republic of China. Some thirteen other parties were active, most organized along ethnic and religious lines. Sukarno eventually adopted the concept he described as "Guided Democracy." With the support of the military, Sukarno eliminated all effective political parties with the exception of the supportive PKI and his own PNI. By 1957 the infant parliamentary system had succumbed to crib death, martial law was declared and the short and unhappy history of an attempt at a plural political system was at an end.

Sukarno's legitimacy as a national leader was closely tied to his carefully cultivated image as a revolutionary visionary. A consummate political showman, Sukarno had a slogan and ideology for every occasion. One of these was the concept of *Nekolim* or opposition to neo-colonialism and imperialism.[129]

Sukarno, before the formal declaration of opposition precipitated by the Malaysia agreement, had tried to short circuit the proposed merger through his influence in the non-aligned movement. It was to counter this rhetorical attack that Lee Kuan Yew first embarked on international diplomacy.

Lee's first visit overseas as Prime Minister of Singapore was to Indonesia in January of 1960, prior to the furor that would later develop over the proposed Malaysia. He stated the desire for friendship and a growing trade relationship. He acknowledged the inspiration that Indonesia's struggle for independence had given to the nationalists in Singapore. Indonesian representatives returned his visit later in the year.

Barely two years later, with Indonesian prodding, The Afro-Asian Secretariat in Cairo passed a resolution declaring Malaysia as neo-colonialist.[130] Lee Kuan Yew conducted a tour of the Afro-Asian nations in early 1962 to counter anti-Malaysia propaganda from Indonesia. He also met Tito in Yugoslavia and obtained his somewhat lukewarm assent for the Malaysia proposal. [131]

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[129] Steven Schlossstein, *Asia's New Little Dragons*, (Chicago: Contemporary Books, 1991), p 47.
[130] Josey, p. 157.
[131] Josey p. 157.

In July of 1962 Lee and Goh Keng Swee argued for Malaysia, countering the *Barisan Socialis* move to short-circuit the merger before the United Nations Special Committee on Colonialism. The cogency of Lee's argument and his rhetorical skill impressed many in New York. It was during this successful rhetorical exercise that Lee uttered his oft quoted statement that Singapore, independent by itself, 'is a political, economic and geographical absurdity.'[132]

Lee attended the Commonwealth Prime Ministers' Conference in London in September 1962 as an 'adviser' and caused a stir when he visited Moscow for trade talks during his return trip to Singapore. This was a curious trip, given the fears in Malaya of communism. The connections, through the labor unions, of many of the PAP to known communists and fellow travelers, highlighted the political significance of Lee's Moscow visit. While it is indicative of Lee's staunch independence in his dealings with the world (especially in regard to trade). it also demonstrated his sometimes controversial political decision making. The trip was reported widely and elicited stern criticism from Kuala Lumpur. The Tunku claimed that it invalidated all that Mr. Lee had said about communism. Whether this was a ploy to hasten merger on the basis of constraining Singapore's "freedom of action" or simply a foolish enterprise on the part of an arrogant élitist exercising his political muscle will be left to the reader to decide. What is certain is that Lee knew exactly what type of reaction such a visit would elicit from both the Tunku and the British. This in the midst of trying to conclude the final terms for merger!

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[132] Josey p. 159.

On his return to Singapore, after visiting Prince Shianouk in Cambodia enroute, Lee expounded on the views that he shared in common with the Cambodian leader:

> We are neutral where it is a collision of the big power blocs because we are not sure who is on our side, but we are not neutral where our interests are concerned. And if we are threatened we will defend ourselves.[133]

These comments, in light of Lee's Moscow trip, must have generated an equal amount of rancor in both Kuala Lumpur and London. This is perhaps his first statement of a unique neutrality policy, that would be developed further over the years as a basis of Singapore's foreign policy. Singapore's foreign policy has always been one that has tried to stay away from the pull of large power blocs while at the same time acknowledging their existence and maneuvering for position to gain protection within a *realpolitik* system that it sees the great powers as controlling. Singapore has always taken the pragmatist's approach in its dealings with larger powers in the arena of international diplomacy. It's fine to be neutral in conflicts that are not in your own backyard. In your own region, however, one must admit that others do have interests and then support those whose interests are most similar to your own.

Konfrontasi Intensifies, 1963.

Sukarno's *Nekolim* found outlet in Southeast Asia against the formation of Malaysia as a neo-colonial tool of Britain and the West. On January 20, 1963, before the conclusion of the Malaysia agreement and just after the failure of the Indonesian supported Azahari revolt in Brunei, Indonesian's Foreign Minister publicly proclaimed Indonesia's policy of *Konfrontasi* (confrontation) against Malaysia. The Indonesians, in their announcement, explained that this amounted to a direct offensive in the economic and social fields, but without a military element. Within three months, however, there were Indonesian troops near Sabah and Sarawak in Eastern Indonesia.[134]

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[133] Josey, p. 156.

The United States supported Malaysia and U.S. Secretary of State Dean Rusk declared "that if anyone on the outside attempts by force to interfere it would create a very serious problem."[135]The communist overtones that large scale military action would have represented entailed risks that Sukarno was loath to risk. The British still retained defense responsibilities for their possessions in the east and for the newly independent Malaya. Given the statements of Rusk, the possibility of United States intervention to support the British could not be discounted. Following Bandung, Indonesia was a part of the so-called Peking-Jakarta axis. The tenor of the statements of opposition to Malaysia asserted that it was a conspiracy of the British to inhibit the growth of nationalism in the region and attempted to separate Indonesia geographically from her ally Peking.[136]

In April, 1963 the Indonesian military attacked elements of the Malay forces on the border of Sarawak. Peace talks were held in Tokyo in April of that year which produced a Malaysian-Indonesian declaration of peaceful intentions. A later summit in June in Manila resulted in the establishment of the regional organization of Malphilindo, a loose consortium of the ethnic Malay nations and the Manila Accord which welcomed the formation of Malaysia, provided that the wishes of the peoples of the Borneo territories were ascertained. A United Nations mission, under the supervision of an American born diplomat, Laurence Michlemore, was designated to investigate the results of the Borneo referendum on the issue. It was for this reason that the Tunku delayed Malaysia Day ceremonies which so aroused the PAP's ire. When Singapore unilaterally declared independence prior to merger (as did the Borneo territories), this provided Sukarno the excuse to renew the confrontation.

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[134] Josey, p. 166.

[135] Secretary of State Rusk, February 13, 1963, *Department of State Bulletin*, XLVIII, p.336.

[136] Bedlington, p. 108.

In the midst of the confrontation, prior to the merger and the electoral campaign of 1963, Lee was presented with the discovery of a huge cache of wartime remains in Singapore, sparking further debate on international issues. His political opponents tried to use this against him. He was portrayed as pro-Japanese for his courting of Japanese investment, particularly in the giant Jurong Industrial Park which was the centerpiece of Singapore's industrialization efforts. While most political issues were divisive in Singapore, the issue of the 'blood debt' of the Japanese was not. Lee seized the blood debt issue and took ownership. He gave a stirring speech to one of the largest crowds to ever assemble on the Padang (a large open lawn in downtown Singapore, historic as a gathering place) in which he outlined the steps that the government would take to force Japanese acknowledgment of their actions. The performance was a political success and the measures instituted by the government were largely symbolic. Resolutions of non-cooperation with the Japanese were instituted on new industrial and commercial projects. These left unaffected those projects already approved while satisfying the popular call for action.

Following the conclusion of the Malaysia agreement in July, 1963 and the merger in September, Indonesian opposition rhetoric became more bellicose, and the Indonesians stepped up military activity, including infiltration of agents into the peninsula, Singapore and the Borneo territories. These activities included terrorist bombings in Singapore and armed marauders conducting guerrilla activities in the Borneo territories. The Indonesian government under Sukarno assumed that appeals to Malay nationalism and anti-imperialism would find popular support among Malays in the new Federation. It utilized anti-Chinese propaganda to discredit the Singapore government and stir up communal hatreds (Its agents were implicated in the racial riots of July and September 1964). While causing security difficulties, their efforts never received much popular support in the newly formed Malaysia. Bedlington maintains that the Indonesian activities actually solidified the popular support for the Tunku's leadership in the face of what was seen as aggression against the Malaysian movement for genuine independence.[137]

President Kennedy suspended most American aid to Indonesia as the confrontation entered this more aggressive and military phase but continued some minor aid programs to retain some leverage. Following Kennedy's assassination, Lyndon Johnson sent Attorney General Robert Kennedy to Indonesia to attempt to negotiate an end to the fighting. Kennedy obtained a cease-fire agreement on January 25, 1964, although Sukarno largely ignored its provisions. American threats to suspend all U.S. aid to force compliance resulted in Sukarno's famous cry, "To hell with your aid!"[138]

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[137] Bedlington, p. 109.

On other international fronts, however, the flamboyant Indonesian leader had some success in creating difficulties for the newly formed Federation. In early 1964 Lee Kuan Yew led a delegation from the newly incorporated territories (Sabah, Sarawak and Singapore) on a tour of seventeen African states to debunk the neo-colonialist charges of Sukarno. "We have got to be constantly aware of the danger of isolation," said Lee. While Singapore and Malaysia were linked economically and for defense to the commonwealth countries, Lee was aware of the importance of its image in the newly emerging third world countries. Concerning his trip he stated:

> Many of the countries in Africa have no intimate knowledge of Southeast Asia Like us, they cannot afford to keep embassies all over he world. But somehow we must get them to know us, to understand us, to see us for what we are. Then we can debunk all this talk that we are a neo-colonialist plot ... This is a continuous and continuing task. The effort must be made all the time.[139]

The confrontation reached its zenith following the failure of a third effort at mediation in Tokyo in June, 1964. After failing to reach agreement on withdrawal of Indonesian guerrilla forces from the Malaysian Borneo territories, the Indonesians conducted large amphibious landings in Johor in July and paratrooper drops in the same state in September. Both these military efforts were crushed by local forces.

The incidents were brought before the U.N. Security Council. A resolution condemning the attacks was vetoed by the Soviets. When Malaysia was elected to the rotating Security Council seat shortly thereafter, Indonesia withdrew from the United Nations. The resolve of both the Malaysians and staunch pronouncements of British solidarity led to a decline in Indonesian military activities following the abortive military adventures of 1964.

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[138] Op. cit. in Gould, p.203.
[139] Josey, p. 198.

In March, 1965 Lee traveled to Australia and New Zealand, important players in regional defense arrangements. In an address at Auckland University he highlighted the disturbing characteristic of Southeast Asian countries being inward looking and the fact that they 'have not been able to act in concert with each other in their collective interest.'[140]He went on to express his conviction that the Americans were incorrect in their assumption that China was an aggressive expansionist power. In his view the Chinese threat was their confidence and belief in revolutionary principles. It was the promotion of those ideas to others, to fight their own revolutions that presented the real threat. Lee contended that any attempt on the part of the Chinese to move militarily would be viewed by other nations in Asia as Chinese imperialism. This was a mistake that the Chinese leadership would never make. This was the American dilemma in Vietnam, Lee contended; the Chinese example and sustenance provided to the Vietnamese revolutionaries enabled them to bring the normal economy of South Vietnam to a halt. This left the government in the South in a position of complete dependence on the United States. Such a dependent relationship was completely contrary to the nationalist aspirations that pervaded the region after World War II. Lee argued that only when the regional nations were insured that they could survive could they move on to act in their collective interests. Only then could they ensure that a reasonable balance of power was established to protect the region from the aggression of any potential powerful regional actor. In an oblique reference to the circumstances in Vietnam he concluded that, "you must first have a people who want to save themselves. If you don't have that then no amount of external help, either military or economic, can prevail..."[141]

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[140] Josey, p. 245.

In a quite remarkable speech at the Victoria University in Wellington, Lee expressed a world view that would be echoed some twenty-seven years later in Western political science literature by Samuel P. Hunnington in his Article *The Clash of Civilizations*.[142] Mr. Lee's remarks are worthy of quotation at length and give an insight into his world view:

> Today we face a world in which the ancient civilizations, the Chinese, the Indian, the Arabic, have been aroused and are wanting to reassert themselves on the world scene. Accompanying them are a vast majority of smaller groups of people, broadly grouped together as the Afro-Asian nations... But one thing still remains as it was - for how long I do not know - the supremacy of the European peoples in the scientific techniques of conducting war and, more important, in the industrial capacity to sustain modern warfare. So it is unlikely, in my view, whatever one may believe of the wickedness of the communists and Chinese communists, that they will seek war. They know that under the present circumstances it is not in their interests to seek war. But I think they also know that, given time in which to consolidate their gains, given time in which to consummate their system, perhaps in another twenty, thirty or more years, the odds will not be that unequal, and then brinkmanship from their point of view need not be a one sided-thing....
>
> From an Asian viewpoint, I see this as a period in which the European world begins to learn to readjust its attitudes to the non-European world ... old civilizations, China, India, the Arab world and ultimately, how these old civilizations, non-European civilizations, together with the Europeans, decide to deal with the lesser groups of human societies scattered throughout the rest of the world....

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[141] Josey, p. 248.

[142] Samuel P. Hunnington, "The Clash of Civilizations," Foreign *Affairs*, Volume 72, No. 3 Summer 1993, 22-49.

> I now say we are at the watershed of history because, I think, we are nearing the time when it is possible that the big powers will again begin to think in terms not just of counting heads, but of real ultimate capacity to survive conflict... The second half of the twentieth century will witness, first, in my view, the reassertion of the ancient civilizations. And next, after that, assuming that the world still has not destroyed itself, it will witness how they collectively view the less sophisticated civilizations that exist...
>
> I have no doubts whatsoever that in the ancient civilizations, the Chinese, the Indian, the Arab people, not only with the cultural techniques with which to galvanize and mobilize human nature, but with a calculated sense of greatness, not only of their past but in their renaissance - in them is the first challenge to European domination and supremacy... [143]

What this equated to in Lee's eyes was that Malaysia (and Singapore) was constrained by size and location to "accept the arbiter of the power-interests. The capacity of the smaller nations to survive and prosper then, Lee asserted, was directly related to "our capacity to discern where big power interests must collide, and how in this conflict of power interests we are to find a coincidence of interests for ourselves."[144] More significantly, it foresees an era of competing cultural value systems, the Asian, Islamic and European, beyond the competition of two essentially European ideologies, liberal democracy and capitalism and communism and centralized, government owned socialist economics.

This pragmatic world view, opposed as it was to many in the region, who searched vainly for a means to eliminate the influence of big powers from Southeast Asia, proved extremely influential in shaping policies that would later emerge in the ASEAN group. It would also encourage Singapore to cultivate international contacts with all the world's great powers to ensure its survival as a midget in a world of giants. Summarizing his arguments against the background of the Indonesian confrontation, Lee appealed for Commonwealth support of Malaysia to survive the threat from its large and aggressive neighbor. This, he maintained, was in their interests as well, as the concept of a "Greater Indonesia" with perhaps a strong communist element at its core, could equally threaten Australia and New Zealand's survival.

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[143] Josey, p. 248-249.

[144] Josey, p. 250.

Summary of Early Diplomacy

In these early diplomatic efforts, the position of Singapore and the view of its leadership emerges clearly. A prisoner of the limitations of small size and strategic location, the options of isolation and withdrawal from the world stage were simply not available. The colonial history of Singapore made it abundantly clear that world powers would always have an interest in Southeast Asia. This was particularly true of the countries near the strategic maritime chokepoints. The diplomacy of Singapore, first as part of Malaysia and more so as a small independent island city-state, would embrace rather than lament its circumstances and cultivate its position in the international order to maximum advantage. While Singapore avoided alignment directly with the great powers, they would not eschew *realpolitik* relationships with these powers that worked to their advantage. This was true in both the economic and defense spheres. Singapore, as a active but not activist nation in foreign affairs, cultivated contacts that would work to its advantage. As a result, Singapore would come to exert an influence on the world stage that was and is proportionally much greater than one would expect from a tiny nation only three times the size of Washington D.C. with a population of less than three million.

D. Economics

In the period immediately following the war, Singapore faced enormous economic challenges. Allied bombing had taken its toll on Singapore's infrastructure and all utility delivery services were in a serious state of disrepair. Social services were non-existent. The Japanese had legalized gambling and prostitution. Opium and alcohol abuse were rampant among the legions of poor in the decrepit slums of the city.

About the only significant accomplishment of the British Military Administration was the restoration of utility service to better than pre-war levels and the clearing and restoration of the port and airfield facilities. When the civilian colonial administration took charge in 1946, food shortages were a persistent problem and rice was strictly rationed. Malnutrition and disease were an ongoing challenge and there were repeated outbreaks of violence in protest of the terrible social conditions. Labor organizing began, often under the auspices of communist functionaries, and the economy was plagued by strikes for higher wages to enable the workers to survive the spiraling increases in food prices. The black market flourished as did the crime attendant to such enterprise.

By late in 1947 the rebuilding of the infrastructure and growing worldwide demand for tin and rubber buoyed an economic recovery. By 1949 the economy was meeting pre-war levels in trade and productivity. Social services had been reconstituted. A 1949 social welfare plan outlined a five year program to extend benefits to the aged, unfit, blind, crippled and widows with dependent children. A ten year plan to expand hospital and health services was mooted in the same year.[145]

The immigrant populations, which before the war had been mostly transitory, began to be a more settled and permanent part of Singapore. Sixty percent of the Chinese in Singapore in 1947 were Straits born. The upheavals in India resulting from independence and partition encouraged further Indian immigration. Singapore shared in the boom created by the Korean War in the early fifties enjoyed by many Asian nations.

Educational services were rebuilt under the colonial government, which inaugurated a ten year program beginning in 1947 to provide six years of primary education to all children. Primary education was available in the vernacular languages of English, Malay, Chinese and Tamil. Perceptions concerning the opportunities provided by English-language education remained strong. These institutions grew, as did their funding by the government, at the expense of the vernacular institutions. While the British did improve the educational atmosphere somewhat, the system was very backward for an urban center and a significant stumbling block that the government would struggle with for many years to come. In many ways, the British tendency to educate a few select students at the expense of the many remained deeply entrenched. In many less obvious ways it is still entrenched today in Singapore. Education still presents Singapore with its most significant challenges.

Unemployment was the most consistent problem in the post-war years as was one of the highest birthrates in the world. Even as the economy redeveloped the creation of jobs could not keep up with the ever expanding population. In 1959, when the PAP first took office, unemployment was estimated to be 13.5 percent.[146] Singapore's population, nearly half of which was under age fifteen, continued to grow and 1960 statistics showed that Singapore's economy depended on the gainful employment of only thirty-two percent of its population, one of the lowest proportions of any community in the world.[147]

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[145] Federal Research Division, Library of Congress, pp. 42-43.

The PAP leadership was faced with tough decisions in 1959 concerning the economic development of the island. The political upheavals of the era entwined the labor movement with politics in a way which demanded that the government be seen as sympathetic to labor while getting on with the task of tying to rebuild the economy. During the political battling that came later the PAP and the *Barisan Socialis* created rival trade union umbrella organizations to battle for control of the movement, the PAP's National Trade Union Conference (NTUC) and the *Barisan* Singapore Association of Trade Unions (SATU). The trade unions would remain highly politicized during the leadership struggles in Singapore and the fight for merger with Malaya.

While merger with Malaya and the formation of a common market were seen as essential for Singapore's long term prosperity and expansion of its entrepôt trade, they were not viewed by the PAP as a panacea for all of Singapore's ills. Without economic expansion which would provide employment for the masses, the social foment demanding opportunities for a better life would turn to the communists. This would politically force the economic agenda into a policy demanding redistributive programs of the existing economic rewards, stunting the growth potential of the economy. Given the history of the entrepôt tradition in Singapore, to move from it was a bold initiative. The loss of the Indonesian trade due to the Confrontation certainly stimulated this movement. Nonetheless, the courage to change does not come easily, and the PAP has never been accused of lacking political courage. Lee related the rationale for the industrialization move during a speech given to the Chinese Chamber of Commerce in Singapore in 1959:

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[146] Ibid, p. 124.
[147] Josey, p. 117.

> Although we are a socialist party, we fully recognize that socialism cannot be implemented in Singapore before the merger with the Federation of Malaya. We are an island of 220 square miles. We have been living for the past 100 years by the hard work of our traders... But we would be blind if we did not recognize the tremendous change in the pattern of trade and commerce in Southeast Asia...We must adjust our position...It is unlikely that we shall be able to support our ever-increasing population just by trade alone.[148]

The PAP leadership, under British trained economist and PAP stalwart Goh Keng Swee, adopted a policy of industrialization. While Singapore did have a successful entrepreneurial core, its businesses were overwhelmingly trade related and not much involved in the manufacturing economy. This was especially true of the Chinese. The PAP enlisted the advice of a United Nations industrial survey mission and began planning the construction of a number of industrial estates to attract foreign investment and expertise. The industrialization strategy adopted was import-substitution industrialization strategy (ISI) that was, at the time, advocated by both the World Bank and the majority of economists.[149] While this was a logical strategy, given the prevailing economic wisdom of the time, its success, for Singapore, was dependent on the conclusion of the merger and the establishment of a common market in the federation. To attract foreign investment the Pioneer Industries Ordinance and the Industrial Expansion Act were enacted in 1959 to provide new industries with tax exemption for up to five years.

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[148] Federal Research Division, Library of Congress p. 98

Success also depended on changing the image of Singapore as a hotbed of labor unrest, which characterized the political struggles leading to independence. The Industrial Relations Ordinance of 1960 provided for the swift resolution of strikes and made all strikes illegal after the newly created Industrial Arbitration Court, a forum for the resolution of labor disputes, took cognizance of a dispute.[150] By 1960 the National Trade Union Conference (NTUC), the PAP created labor organization had made significant inroads in co-opting the renegade unions and the seeds of government control of the labor unions were beginning to take root. The shift in bargaining power from workers to employers that still persists in Singapore had begun.[151]

Singapore's first (and only) development plan was instituted in 1961, proposing to spend $290 million dollars in government funds in the first four years. Still espousing a democratic socialist party line, the Party allocated 40% of its budget to social programs and an equal amount toward industrialization. The centerpiece of the social programs was an extensive public housing program which remains one of the PAP's ongoing priorities. Rehousing a population that lived in slum ridden urban squalor was seen as essential to creating a modern industrial society and answering the public's desire for more social equity.

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[149] Jonathan Rigg, *Southeast Asia, A Region in Transition*, (London: Unwin Hyman, 1991), p. 188.

[150] Chen, p.12.

[151] N. Heyzer, "International Production and Social Change: An Analysis of the State and Trade Unions in Singapore" in *Singapore Development Policies and Trends*, P.S.J. Chen (ed.) (Singapore: Oxford University Press, 1983), pp. 122-125.

In 1961 the Economic Development Board (EDB) was created to coordinate programs to attract foreign investment. The EDB was given a budget of thirty-three million dollars and instituted a plan for a giant industrial park (9,000 acres) in the Jurong area, to attract foreign multinational companies. The government built a new port there, connected it to the old city by railroad and extended and expanded utility service to the site.[152]

This bedrock basis for industrialization, relying on foreign capital and expertise, has remained the fundamental basis for Singapore's industrialization and the building of the export led economy. Land clearing for the Jurong industrial estate began in 1961. At the time manufacturing accounted for only 10 percent of Singapore's GNP. The economy was still highly dependent on entrepôt functions and British military spending. While, in retrospect, it has been wildly successful, it has created a dependence on foreign enterprise and capital which is one of the problems which the current government is trying to address.

Singapore devised some unique schemes for generating investment funds locally. The Central Provident Fund, instituted in 1955 under the Marshall Labor government, was retained. The fund, which finances social services and workers' pensions, is financed by contributions of a percentage of each worker's earnings and a contribution paid by the employer. This device is the tool by which Singapore maintains the highest savings rates in the world. These funds are available to the government for investment and provide a "buffer" which is often used to stimulate the economy in difficult times.[153] While capital formation in Singapore has improved remarkably in recent times, the largest part of its industrial and manufacturing base remains in the hands of foreign companies.

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[152] Gould, p. 163.

While espousing "democratic socialism" as an ideology, the PAP remained essentially pragmatic in its approach to economic development. The Prime Minister, on numerous occasions and in a variety of forums, espoused these pragmatic viewpoints and analyzed the problems of development faced by the newly independent nations. The problems of political and economic development and the contradictions they placed before the leadership of many nations were exaggerated by the racial divisions present in Malaysia.

The dilemma, as the PAP saw it, was that newly independent nations, flush with pride in their long sought status, rejected the colonial order and the economic structures that they had constructed. New leaders came to power on the basis of their anti-colonial stances, promising that when the colonial masters had been removed, the benefits of the economies of the countries would then pass into the hands of the indigenous peoples. With their peoples longing for a more equitable distribution of the country's wealth and freedom from what was viewed rightly as exploitation by metropolitan powers, the first group of leaders, in their zeal, often destroyed what the

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[153] Milne & Mauzy, p. 32.

Europeans had built over more than a century without replacing it with anything. Kick the bums out was not the best solution, despite its emotional appeal. The results of such policies were nations which were impoverished as well as free.

The notion of self-sufficiency, so tempting given the new sense of nationalist pride, was exactly the wrong prescription for nations that did not possess the technical skills to run a modern economy. In the context of Malaysia, Lee saw the same contradictions in the policy of forced redistribution of economic benefits to the Malays at the expense of the Chinese and Indians. Many immigrants, both Chinese and Indian, had come to Malaya to build their fortunes. Those who succeeded in building successful enterprises were aggressive and innovative businessmen and, along with the Europeans, formed the core of the economy of the new Malaysia. By adopting policies that favored Malays over the immigrants and the Europeans, Lee contended that they were undermining the expertise in the economy that provided the means with which to attack the real problem of the Malays, lack of education and skills necessary to compete in a modern commercial economy. The approach in Kuala Lumpur relied on dividing the pie more evenly. The approach in Singapore was to bake a bigger pie.

The approach that Lee and the PAP took in Singapore was to encourage the overall expansion of the economy soliciting the support, assistance and investment of the industrialized West. This many others eschewed in the name of nationalism or non-alignment. The reasons the PAP differed were twofold, (1) to provide jobs for a growing population, and (2) to provide revenue to educate the younger half of that growing population.[154] The PAP, in 1960, to address the inequity the Malays faced in the modernizing economy, instituted a policy of free education for Malays at all levels, up to and including University. This "leveling up" through education policy stood in stark contrast to the policy of "leveling down" through redistribution being advocated by the Alliance Government on the Peninsula.

The basis of the PAP's opposition to the 1963 Malaysian budget was that the terms of the budget attempted to create a small group of "haves" in the elite Malay population by giving them preferences in the acquisition of "rentier" type enterprises, such as bus licenses, rather that attacking the problem of educating the largely Malay rural population to provide broader opportunities across the economic spectrum. As Lee put it, addressing the Malaysian Parliament in 1963, "... my indictment of this Budget, as of all other budgets, is that it has not set into train what one would call, euphemistically, social change for the better, social change to create a more equitable society, where rewards are based on performance and efforts, and not property and rent..."[155]

While reward of merit and performance has always been the cornerstone of all PAP policies, the arguments Lee made for economic development were practical to the core. The dilemma of many of these newly emergent nations, especially those who had been previously associated with the British Empire, was that many of its new leaders had been educated in economics in Britain. When they came to power in their homelands, they attempted to apply the economic solutions they had learned in their European education to their countries' problems. At the same time, for nationalistic reasons and to maintain political support, they attempted to redistribute the rewards of the economy away from those who possessed the expertise required to make such economic solutions viable.

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[154] Josey, p.122.
[155] Josey, p.193.

In 1964, with the ethnic tension between Malays and Chinese tearing at the newly formed Federation Lee addressed the economic plight of the Malays in Singapore. In a speech before a group of influential Malay leaders Lee attempted to answer the charges of Chinese chauvinism being directed at the Government of Singapore by the Indonesian propaganda of the Confrontation and echoed, for political reasons by the Malay "ultras" of the UMNO.

The policies of the PAP were designed to attack the inequities of the present economic order by addressing three concerns which it saw as paramount to relieving them -- education, employment, and housing. The education policies of the PAP were designed to redress the inequity, intentionally designed by the British, in education. The British design was to keep the Malays confined to the agricultural and unskilled labor sector and compliant with the prevailing political order. Only by improving the education of Malays would they be able to eventually compete with the other ethnic groups. The immigrants, at present, were better able to compete in the growing economy.

The solution of the education problem would contribute to solving the employment problem. In the interim, subsidized health services and decent low cost housing for Malays in the government housing units would provide them with adequate, low cost, living conditions to enable them to make the transition from the traditional to the modern economy. There was significant resistance from Malays to the resettlement from their traditional *kampongs* (villages) to these government high rise flats. Faced with a critical shortage of land in Singapore and the need to create an industrial base to support the exploding population the government needed to move boldly. The measured resettlement of these communities was the only viable solution to the required development.

Housing development was one of the primary efforts of the PAP government to alleviate the squalorous slum conditions that obtained following the war. The policy of government housing development has continued apace throughout Singapore's history. The high rise society of Singapore, to meet the needs of a large population in a limited space and to encourage home ownership among its population has always been a centerpiece of the PAP Government. The dislocations this caused and the sweeping (and autocratic) government methods of land acquisition to enable the policy to be carried out were a political hot potato in Singapore's early years. A private property clause was not a feature of Singapore's constitution. Land was acquired at below market prices by condemnation. The housing rush was on.

When the Federation dissolved in 1965 under the pressure of ethnic tension and competing political visions for Malaysia, Singapore found itself in extraordinarily difficult economic circumstances. The entrepôt economy was threatened by the economic boycott of the Indonesian Confrontation (at one point 87% of Malaysia's trade had been lost[156]) and the uncertain relationship with Malaysia. The Malaysian leadership, eager to develop their own ports and domestic economy, enacted tariffs to protect these interests. While embarked on a strategy of industrialization, the fruits of this were slow in materializing, and the viability of the tiny new nation state to survive was much in question. The economic policies that resulted in the modern economic miracle of Singapore and its emergence as one of the "Four Tigers" of the Asian economic resurgence are a testament to the dogged persistence of the PAP leadership and the tenacity and resourcefulness of the people whose support or compliance they enlisted, the citizens of Singapore.

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[156] Lee Kuan Yew, op. cit. in Josey, p.190.

E. Defense

The period prior to Singapore's independence does not feature the development of an indigenous defense capability. The defense of the region remained the responsibility of the British. Following Malayan independence it became a joint Malayan-British responsibility under the terms of the Anglo-Malayan Defense Agreement of 1957, concluded just after the granting of independence of Malaya to spell out British rights and responsibilities following the abandonment of its colonial position. Indigenous defense forces in Malaya and later in Malaysia were almost entirely composed of ethnic Malays who had been organized and trained by the British. It was these forces who loyally and effectively opposed the Indonesian military incursions in eastern Malaysia and the abortive military expeditions on the peninsula. The ethnic Chinese had no desire for military careers, being more attracted to the more lucrative business opportunities available to them. The Chinese traditionally avoided military occupations and accorded them a very low status. The sentiment "that you do not use good iron to make nails" pervaded the thinking of Singapore's Chinese community.[157] The riots against the national service scheme proposed by the British in 1954 were as much in response to this fact as to any ideological stance against the British involvement in SEATO.

The initial separation of Singapore from Malaya and the former Straits Settlements following the war was directly related to the vital position that Singapore played in the defense scheme of the British after the war. In retrospect, this separation may have doomed the reunion of the two territories, when it was later attempted. At independence, with strained relations with Malaysia, the Indonesian Confrontation ongoing and the war in Vietnam escalating, Singapore's armed forces consisted of two battalions of the Singapore Infantry, 1,000 enlisted men, most of whom were Malay and many not Singapore born and 50 officers. The Singapore infantry was, at the time of independence, serving in Sabah under British command to counter the Indonesian threat. The navy consisted of two small vessels and there was no air force. [158]

The presence of British, Australian and New Zealand troops gave Singapore some time in which to address the development of an indigenous defense capability which will be explored in the next chapter. Credible defense would become and remain a high priority of the government of the independent Singapore. Such high priority was accorded to defense that, by 1990, defense analyst Aaron Karp would characterize Singapore as 'the most heavily armed country on earth.'[159]

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[157] Milne & Mauzy, p. 158
[158] Milne and Mauzy, p.156.
[159] Aaron Karp, "Military Procurement and Regional Security in Southeast Asia," *Contemporary Southeast Asia*, Vol. 11, No. 4, March 1990, p.349.

V. 1965-1990 The Epoch of Lee Kuan Yew

A. Introduction

The trauma of separation from Malaysia for Singapore was enormous. Despite the acrimonious relationship that had developed across the causeway and the dangers of racial strife that the Federation contained, Malaysia was key to Singapore's strategy of survival and prosperity. All the plans the PAP had made for economic development were keyed to access to the Malaysian market and a functional relationship with its northern neighbor. Dependent upon Malaysia for water and as the hinterland for entrepôt trade, separation fears were well founded.

In the infancy of an industrialization plan that was also contingent on access to the Malaysian market, Singapore was obliged to change directions rapidly. The export-oriented industrialization (EOI) strategy that would be chosen to face this challenge was not adopted because of clairvoyant brilliance but because of necessity born of desperation. The EOI strategy is now widely accepted as the paradigm for successful development to an extent to which 'the general superiority of the outward-looking strategies, particularly in the context of the structural characteristics of the NIC's, seems no longer in doubt.'[160] The success of Singapore's economic development contributed in no small part to this paradigm shift.

Although Singapore had begun to develop an independent foreign policy prior to separation from Malaysia (much to the chagrin of Kuala

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[160] J. Wong, "The Asian NIC's Towards the Year 2000: Growth and Adjustment," in *Asia and Pacific Economy: Towards the Year 2000*, papers and proceedings of a conference held in Beijing, November, 1986, Fu-chen Lo (ed.) (Kuala Lumpur: Asian and Pacific Development Center), p. 120.

Lumpur at times), the era of Lee Kuan Yew heralded the development of a globally oriented foreign policy strategy which its longtime Foreign Minister S. Rajaratnam described as follows:

> a judicious mixture of well-trained and well equipped defence forces, friendly alliances, wise foreign policy, and *giving as many countries as possible a tangible stake in the security, prosperity and integrity of Singapore*.(Italics added)[161]

In the transition period, the PAP learned the survivalist ethic in the political arena. With the advent of independence, with an uncertain relationship with Malaysia to the north and with a large and still belligerent neighbor, Indonesia to its south, Singapore extended its "survivalist" mentality in its foreign affairs. While initially survival was of paramount importance, the evolution beyond the survivalist mentality is well described by Minchin: "the bottom line is survival, but fear of sinking to the bottom line has spurred the nation to accomplish and project a great deal above it."[162]

As mentioned above by Rajaratnam, the foreign policy of Singapore depends not only upon ensuring a web of international connections to give as many nations as possible a stake in Singapore's survival, but also on developing a credible defense establishment. Singapore has made a quite remarkable transition from being completely dependent on the British for their external defense to the present situation of having one of the most modern and effective military establishments in Southeast Asia.

Shortly after the separation from Malaysia, the PAP was left with no credible opposition to its political control of Singapore politics. Those who had not been eliminated from politics during the transition era had been either co-opted by the PAP to serve their interests or had removed themselves from politics. There was also a desire in the majority of Singaporeans (a term which has meaning only after the events of 1965), after the turbulent struggles that resulted in independence by expulsion, to get on with the task of building a viable nation. The sense of crisis coalesced the people behind the PAP and allowed it to build a nation according to its own design. In the first elections following independence in 1968, the PAP took complete control of Parliament, winning all the seats in the assembly. This dominance remained unbroken until 1981, when a single opposition member finally broke the PAP's electoral monopoly.[163] Politics in Singapore returns to prominence late in this era a new generation of leaders was groomed for and finally took the reins of power. It should be noted that "politics" is something that the PAP would just as soon do without. A technocratic rather than a political party, the PAP has returned its attention to its political fate only because of events which forced it to do so. Beginning with the opposition breakthrough in 1981, politics in Singapore again becomes an area of interest, as the PAP struggles once again to maintain its stranglehold on power.

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[161] S. Rajaratnam, *Straits Times*, 16 December 1970, p. 8.
[162] Minchin, p. 178.

Given the success the PAP has produced in Singapore's short history, it is easy to understand their reluctance to yield easily a political order that has served their country so well. It has produced a technocratic elite leadership which discharges its obligations to its people in an effective, if paternalistic manner. While it probably does not meet western standards of representative government, it certainly exceeds western standards of effective government.

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[163] Bilveer Singh, *Whither PAP's Dominance*, (Selangor: Pelanduk, 1992), pp. 3-8.

This is perhaps the crux of the Asian-Western controversy. One might plausibly argue that most western liberal democracies are, by design, ineffective to limit their potential for tyranny but the Government of Singapore is designed on completely different assumptions. It is designed to be an effective government, assuming that the moral superiority of its carefully selected elite will check any tendency toward tyranny. In tiny, vulnerable Singapore where the group is the political unit, where the latitude for error is seen as nearly non-existent, the danger is that the government will not be effective. In the vast, wealthy and populous United States, where the individual is the political unit, the greatest danger is that government will be too effective, limiting the freedom of the few to benefit the many.

B. Economics

Goh Keng Swee, the man behind Singapore's economic transformation, had endured the Japanese occupation and following the war had been graduated from the London School of Economics with first-class honors. He was a founding member of the Malayan Forum in London where he met Lee Kuan Yew. Also a founding member of the PAP , he returned to England and obtained a Ph.D. in Economics from the University of London shortly after the party's inauguration. He was first elected to office in the 1959 elections and remained an elected MP until 1984. As mentioned previously mentioned, following his retirement from government Goh was retained as a consultant by the People's Republic of China.[164]

In its early search for development models, Switzerland was one of the short-list candidates that seemed to offer a model that Singapore could strive to emulate. Switzerland was a multilingual state with well armed civilian based military forces to protect its neutrality. Its national economy was selectively industrialized and sufficiently prosperous to attract high end foreign experts to assist in its development. It utilized low wage guest workers from outside its borders to do unpleasant jobs and supplement its own domestic labor force in times of shortage. Blessed with a favorable location in the heart of Europe, the Swiss built an impressive financial service sector economy in international banking and insurance. The Swiss standard was a goal that the PAP would strive to reach. It would be a long journey. To meet its goal it had to attack three problems; 1) massive unemployment and the explosive growth in its population, 2) a dearth in capital investment, and 3) the history of labor unrest that was closely tied to the struggle for freedom from colonial rule and independence.

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[164] Goh Keng Swee is not related to Singapore's present Prime Minister Goh Chock Tong.

The PAP had been embarked on a labor intensive industrialization program since first taking office in 1959. Most of the effort was directed toward labor intensive, low wage import substitution industrialization (ISI). This was an attempt to soak up massive unemployment. It was not designed originally to create competitive industries which could export to the rest of the world. With independence, the government moved quickly to offer incentives for the MNC's of the developed world to solve the capital crisis. In 1965 the government spent ten percent more than planned on development. A hundred new industries were granted permits and half of them went into operation. Of the 55 million dollars in new foreign investment that came into the island, ten million came from the United States. The lion's share of foreign investment was in oil refining facilities to serve as a regional center for the expanding petroleum business. [165]

The traditional entrepôt trade of Singapore was embattled in the early years of independence. The acrimonious separation from Malaysia had doomed the proposed common market. Shortly after independence stiff tariff barriers went up across the causeway. The Malaysians were implementing their own ISI strategy and tariffs were seen as essential to protect both Malaysia's infant industries and encourage the development of Malaysian ports to handle their own entrepôt trade. The sense of competitiveness with upstart Singapore and the desire to cut out the "Chinese middleman" was also operative. The ongoing Indonesian confrontation further limited Singapore's entrepôt trade. With few options left to it, Singapore, under the capable leadership of Goh Keng Swee, turned to an Export Oriented Industrialization (EOI) strategy with a dedication born of desperation.

A combination of regional events conspired to both relive the restrictions on regional trade and add future impetus to the industrialization drive. The confrontation with Indonesia wound down following the ouster of Sukarno in late 1965. It was formally ended by his successor Suharto in 1966. Suharto was eager to exploit his countries oil resources, and Singapore was well positioned to serve its needs in the petroleum sector, both in refining and the production of drilling equipment.

The British announcement in 1967 that it would withdraw from its military bases in Singapore by the mid-seventies was a heavy blow to the economy. British bases and their associates services accounted for some 15,000 jobs and 20% of Singapore's GDP. This redoubled Singapore's industrialization efforts as the PAP estimated that it would need to create 7,000 to 10,000 jobs per year to offset these losses.[166] The final death knell for ideas of a common market came in 1967 when, unable to agree on common financial policies, Malaysia, Brunei and Singapore each began to issue their own currencies.[167] Initially the currencies were interchangeable. The one for one exchange with Malaysian currency was ended in 1973.[168]

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[165] Gould, p. 164.

Labor discipline and changing Singapore's image as an adversarial "union town" was immediately assaulted. The winds of change were evident in an address Lee gave to the International Labor Organization at its first Asian conference held in Singapore in November 1966.

> In a way we created these problems. For in the pre-independence phase our unions were part of the political mass movements. The legitimate trade unionism became a useful omnibus cover for the carrot you must offer the masses if you want them to join you in driving the colonial power out... The same unions I egged on I now have to face, to explain why a repetition of the habits learned in the pre-independence era must mean the disintegration of the whole society as the economy ceases to keep pace with growing demands of an educated population...
>
> ...it requires the greatest amount of sophistication in labour machinery, economic policies, an understanding of this on the part of management, and a grasp of realities on the part of union leaders that ultimately more pay, more fringe benefits, more security can only come with higher productivity and greater economic growth.[169]

Labor legislation, which had begun in the early 1960's was strengthened by the Trade Union Act of 1966 which made strikes illegal unless the majority gave consent by secret ballot and additionally banned non citizens and those with criminal records from holding union office. A series of further acts in 1967 and 1968 severely constrained area's of legitimate union concern.[170] What resulted was *de facto* government control over unions which transferred bargaining control from workers to employers. It ushered in a period of labor peace that remains in place.[171]

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[166] Lee Kuan Yew, Op. Cit. in Josey, p. 379.

[167] Gould, p.169.

[168] Ministry of Information and the Arts (Singapore), *Singapore Facts and Pictures 1992*, p.14.

[169] Lee Kuan Yew, op. cit. in Josey, pp. 353-355.

The response of MNC's to the incentives offered by the government and the swift and effective measures to enforce labor discipline was remarkable. Cumulative foreign investment in manufacturing rose from $157 million (US) at the end of 1965 to $600 million in 1969. The end of the confrontation brought massive investment in the petroleum sector from the US, Britain and the Netherlands (by 1972 these three countries accounted for 61% of cumulative foreign investment in manufacturing). From the time the PAP took office in 1959 to 1969, just prior to a shift up the value added ladder by the government, Singapore's per capita income had doubled and its GNP had increased two and a half times. [172] While the withdrawal of the British military became an even more pressing problem when the timetable was advanced by the British Labour government in 1968, American spending in conjunction with it increasing Vietnam commitment together with an influx of capital from Hong Kong investors unnerved by the events of the Cultural Revolution offset most of it pernicious effects.

The Seventies, Singapore Moves up the Value Added Ladder.

In 1970, in his New Year's message to the people, Lee outlined Singapore's accomplishments and challenges as it entered the new decade:

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[170] Milne & Mauzy, p. 63.
[171] Pang Eng Fong, op. cit. in Rigg, p. 191.
[172] Josey, p. 549.

> We have trained and educated our young people. We have increased their ability to use the instruments of modern technology to create wealth. The 70's will be better than the 60's. This is our confident expectation, provided we do not become complacent. If we do not allow anything to upset this assessment of our potentials, investments will continue to flow in, generating more and better jobs, and increasing revenue to pay for better social amenities.

Until 1970, when the challenge posed by the withdrawal of the British bases had been largely met, investment was concentrated in labor-intensive industries. That year the government shifted its strategy to upgrade its industrial base by attracting more capital and skill intensive industries.[173] The diversification program included the growth of electronics, precision equipment and expansion of the service sector in transport, communications and business related services. The traditional entrepôt trade of Singapore shifted more to the service sector with the brain power of the banker operating along with the muscle power of the dock worker.

The linkage of Singapore's economy to the world at large was intensified by its shift in strategy. By 1971 foreign investment had leaped forward to US $1.575 billion more than doubling the 1969 figure.[174] Linked to three engines of growth, the OECD countries, the region (including ASEAN and the larger Indian Ocean Pacific Basin) and Singapore's own management skill, productivity, high domestic savings (through the CPF) and domestic market.[175] In this new economic strategy, Singapore offered the MNC's its key location, access to inexpensive labor and tax concessions in exchange for a transfer to Singapore of equipment, know how, marketing techniques and access.

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[173] G. Rodan *The Political Economy of Singapore's Industrialization: National State and International Capital*, (Basington: Macmillan, 1989),p.104.
[174] Rigg, p. 191.
[175] Minchin, p. 243.

In conjunction with its up market shift, the government established the National Wage Council (NWC) in 1972, with representation from labor, government and employers to stabilize wage increases associated with the new strategy and ensure that the increases were linked to productivity. The recommendations of the Council were not mandatory but have been followed by the public sector and most companies. These measures as well as dramatic improvement of the islands infrastructure by dramatic public works programs, and the political stability the PAP provided secured Singapore's image as a secure and stable location for the Multi-Nationals.[176]

Singapore's EOI strategy has been extraordinarily successful. By 1973 Singapore reached full employment, a remarkable achievement.[177] EOI does, however, make the economy vulnerable to changes in the world economy. In the characterization of Milne and Mauzy, Singapore developed "a dependent but dynamic economy."[178] During the worldwide downturn brought on by the oil shocks of the 1970's. Industrial output actually declined 7.3% in 1975. While the oil shocks rattled Singapore, other events offset some of its effects. Extending the figures through the seventies, the rapid expansion of Singapore's economy produced an outstanding average annual growth rate of 10.1% between 1965 and 1979.[179]

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[176] Rigg, p. 191.
[177] Minchin, p. 244.
[178] Milne and Mauzy, p. 131.
[179] Rigg, p. 191.

The Second Industrial Revolution, the Eighties and Onward.

Toward the end of the seventies, the government poised to shift the economy up market once again it what became known as "the second industrial revolution." Rigg cites five factors as propelling this bold restructuring program: 1) other developing nations, including many of Singapore's ASEAN neighbors, with even lower wage rates, were beginning to crowd out Singapore's advantage in labor intensive industries, 2) Malaysian and Indonesian programs to develop their own capabilities to process and transport their primary products had matured, further crowding some of Singapore's remaining entrepôt functions, 3) growing unemployment in developed nations was driving down wage rates there, narrowing Singapore's wage advantage in less labor intensive enterprises, 4) new technologies were eliminating many labor intensive processes, encouraging the relocation of MNC industry to their home countries, and 5) the use of immigrant guest workers as a solution to cyclical labor shortages was seen as an undesirable solution that labor intensive industries would continue to require.[180]

Goh Keng Swee and Lee, with advice from a longtime economic advisor Dr. Albert Winsemius a consultant since the first United Nations development mission in 1960, decided to make the move. In 1979 investors and managers were put on notice that three years hence the government would institute wage increases or release its constraints on the labor market and severely limit permits for immigrant workers.[181] Education and training programs were stepped up to improve worker productivity. The government Skills Development Fund was expanded and a Vocational and Industrial Training Board was established.[182] Concentration in economic development was to be placed in mechanization, computerization, and automated production facilities. Restrictions on immigration of skilled professionals was eased to grease the transition skids and investment in research and development was encouraged through various tax incentives.

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[180] Rigg, p. 194.
[181] Minchin, p. 244.

The Recession of 1985

Singapore's transformation to a high-tech economy initially went very well. GDP figures, labor productivity and value added figures all rapidly leaped to record levels. By 1984, however, the vagaries of the world economy came home to roost and the economy slid into recession. In 1985 the Singapore experienced negative growth (-1.7%) for the first time since 1964. The profitability of foreign firms plummeted 70%. Nine thousand workers were laid off and unemployment rose to over 4%.[183] There were a number of factors that contributed to the recession, including an international decline in two sectors, shipbuilding and repair and petroleum. At least as important was the government's policy to "force" the economy to shift upwards by pressing wages ahead of productivity. Between 1980 and 1985 unit labor costs leaped forward 40% in Singapore. Compared to the other "tigers" during the same period, Taiwan (11%), South Korea (1%) and Hong Kong (-22%), the loss in international competitiveness is clear.[184]

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[182] Rigg, p. 194.

[183] Chong Lee Choy, "Singapore's Development: Harnessing the Multi-nationals," Contemporary *Southeast Asia*, Vol. 8, No. 1 1986, p. 62.

[184] N. Holloway, "Guidelines for flexibility" *Far East Economic Review*, 1 January 1987, pp. 54-55.

In response to the shock of the economic recession, the government appointed a Economic Committee, under the chairmanship of the Prime Minister's son Lee Hsien Loong, to study to difficulties that led to the economic downturn. The report of the Committee, *The Singapore Economy: New Directions*, was released in February, 1986. The essence of the report called for three corrective actions; 1) Reversal of the high wage policy to restore competitiveness, 2) a long term reorientation of the economy favoring modern services instead of manufacturing and, 3) liberalization of the economy and reducing the government's role in managing the country's economy.[185]

The recommendations of the committee were largely adopted. Compulsory CPF contributions by employers were reduced and corporate taxes were reduced. There were numerous reductions in costs imposed on Singapore's businesses by the plethora of government statutory boards. Wages were frozen for two years (1986-7) and the NWC reviewed the wage system to build in greater flexibility.

The economy responded quickly to these changes, helped along by the recovery in the United States and the resurgent demand for electronics. If the 1985 recession demonstrates Singapore's agility in responding to economic circumstances, it also demonstrated how the foreign business community can respond immediately to government policies that affect their profitability. While often hailed as an example of the success of allowing the "free market" to mold its outward-looking economic success, Singapore's interventionist approach very nearly cost it dearly in 1985. As such. government intervention in the economy deserves further examination.

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[185] Ministry of Trade and Industry (Singapore), *The Singapore Economy: New Directions* (Singapore: Ministry of Trade and Industry, Republic of Singapore, 1986)

The Government and the Economy in Singapore (1965 - 1990)

Far from exercising a free market, hands off approach to economic management, the Government of Singapore has been highly interventionist. The state holds a significant share in many of Singapore's enterprises. Initially, it used these to support pioneer industries to restructure the economy and stimulate and channel foreign investment.[186] By 1977 the government held approximately one-third of net fixed assets and by 1987 had a stake in 450 firms with a total paid up capital of S5 billion Singapore dollars. Some of the most familiar of these are the giant Keppel shipyards, Singapore Airlines, and the Development Bank of Singapore. All state enterprises were run competitively and, if unprofitable, would be allowed to go bankrupt.

The government became the sole supplier of infrastructure and many public services They took over management the airport and port facilities, controlled all radio and television and the press. The Housing and Development board supplied housing for nearly 90% of Singapore's citizens. Most of these projects were financed by the enormous reserves built up by the Central Provident Fund (CPF). The fund, financed by both employer and employee contributions, which varied in size according the economic conditions as interpreted by government policy planners, has resulted in the growth of extraordinarily high saving rates for Singapore. The impact of this enforced savings can be noted by examining the statistics for gross domestic savings as a percentage of GDP. In 1965 the figure for Singapore stood at 10%, by 1985 it had skyrocketed to an astounding 42%.[187] By 1988 it had 2.06 million members with S$32.5 billion to their credit. In 1988 it accounted for 24% of gross national savings.[188] According to some estimates, fully half of all domestic income passes through government hands.[189] Additionally, the government held 75% all land[190]

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[186] L. Seah, "Public Enterprise and Economic Development," in *Singapore Development and Trends*, P.S.J. Chen (ed.) (Singapore: Oxford University Press, 1983), p.152.

While it is often pointed out that Singapore, in contrast to most of its Southeast Asian neighbors, has no development plan, the above facts do pointedly indicate that its economic success has been the result more of state intervention that Adam Smith's invisible hand. Up until 1985, the government's interventionism had been highly successful. Since 1985 and as a result of the rethinking the recession caused, the policy may have shifted away from strict government control. In the economic sphere, the authoritarianism and interventionist policies of the government tended to soften. Recent moves to privatize state owned companies, gave CPF contributors more latitude in the investment of their funds (including availability for housing purchases, investment in Singapore companies and for college education) highlight this trend which Finance Minister Richard Hu commented upon in 1987:

> The government has, during the early stages of the economy, had to take the lead to get the economy going. Now we have to on move to a different level of development, different industries, smaller,

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[187] World Bank, *World Development Report, 1987*, pp. 210-211.
[188] Ministry of Communications and Information, *Singapore 1989*, (Singapore: Information Division, 1989)
[189] Lim, op. cit. in Rigg, p. 197.
[190] Rigg, p. 197.

entrepreneurial - where I think the private sector must play a far larger role.[191]

Social Engineering

Beyond the government control of labor and its intervention in the economy, some of the policies elicited that the most external criticism have been Singapore's various efforts at social engineering. These ranged from those that were viewed as comical, i.e. the government sponsored "love boat" cruises for young professionals to meet and find romance, to those that were viewed as sinister, i.e. the "encouragement" offered to low income females to accept sterilization. Both of these had one thing in common, they were designed to attack the problem of population, in terms of both size and quality.

When that PAP initially took office, size was a problem that demanded its attention immediately. In the early 1960's Singapore's population growth rate of 4.7% was one of the highest in the world. In 1963 the Planned Parenthood Conference was held in Singapore and the Prime Minister cited that figure and noted the fact that in Singapore 25% of the population was working to support the 60% who were either too old or too young to be part of the work force.[192]

The Abortion Legalization Bill came before Parliament in 1969 and aroused a heated debate. During this debate, the issue of "quality" of population surfaced as the body debated the merits of legalized abortion. Lee Kuan Yew's expressed his beliefs on genetic endowment in an unashamed manner. Clearly, Lee has specific ideas on the "endowments" of different racial groups and these obtained some validity in the circles of the party. Lee's ideas of genetic factors influencing intelligence formed a core of his argument for legalized abortion and voluntary sterilization. In all societies, he claimed, there are those who are more intelligent and those who are less intelligent, quoting extracts from an Irish scientist, Richard Lynn, who had concluded that intelligence was principally determined by heredity. The following is an excerpt of Lee's arguments during the abortion debate:

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[191] "The Government's Role, an interview with Finance Minister Richard Hu" *FEER*, January 8, 1987, pp. 70-72.
[192] Lee Kuan Yew, Op. Cit. in Josey, p.171.

> When the less educated who are also in the lower income groups have large families, the problems they create for their children are compounded. Resources, time attention and care, lavished on one or two children, can nurture the endowments of the children to their fullest extent, when spread and frittered over six or more in a family, prevent any child from getting the chance he could have in a smaller family.... [subsidized housing, medicine, education] leads to a situation where less economically productive people in a community are reproducing themselves at a higher rate than the rest. This will increase the total proportion of less productive people. One problem is how to devise a system of disincentives, so that the irresponsible, the social delinquents, do not believe that all they have to do is produce children and the government owes them and their children sufficient food, medicine, housing, education and jobs.
>
> The quality of our population depends not only on raising the IQ level but also on getting parents to care, nurture and educate their children... Every person, genius or moron, has a right to reproduce himself...beyond three children the costs [housing, medicine, education] should be transferred to the parent. By introducing this new abortion law together with the companion voluntary sterilization law, we are making possible the exercise of voluntary choice.
>
> ...we will regret time lost, if we do not now take the first tentative steps towards correcting a trend which can leave our society with a large number of the physically, intellectually and culturally anemic.[193]

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[193] Lee Kuan Yew, Op. Cit. in Josey, pp. 546-547.

It is impossible to imagine analogous arguments being brought before the Congress of the United States by the President. This is an indication of the gulf that exists between our political systems and the difference in outlook of those who rule in some other countries. While not judging the efficacy of the evidence that would prove or disprove such assertions, the core of the argument is based on practical results on the society rather than the principles of the society, or the value of all individuals.

It is impossible to disengage the procreation controversy from the ethnic and religious arguments that are entwined within it. The most backward and poorest part of Singapore's population were the Malays. Their Islamic beliefs led them to oppose the abortion/sterilization issue on religious grounds. The abortion bill passed despite the objections of Islamic and Roman Catholic religious leaders. The initial restrictions of the 1969 bill which limited abortions to those women with family and financial hardships were removed by amendment in 1974 to provide universal abortion on demand

The government's population control policies proved even more effective than planned. By the late 1980's the population growth rate had fallen below replacement levels and the rhetoric of "two is enough" was changed to "three is better or more if you can afford it." In 1987 a number of programs were instituted to encourage a rising birthrate, including large tax rebates for third children (extended to fourth children in 1989), child care subsidies, access to larger government flats etc.,.[194] The seeming abrupt about face caused political difficulties for the PAP. Previous policies which had encouraged sterilization after two children, giving priority to those who accepted it in registering their children for school, had to be continued despite the contradictions involved. The abortion legislation remained intact although doctors were encouraged to use "social persuasion" to discourage what had once been viewed as nearly tantamount to an act of patriotism. Lest one doubt the "family values" of the PAP, it should be noted that the incentives for three children did not apply to unmarried women.[195] Nor is artificial insemination or other "fertility assistance" available to unmarried women.

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[194] Milne & Mauzy, p. 11.

Education

The other tool that the government used extensively in its social engineering effort was the schools. Surprisingly, education received relatively little attention until the mid 1970's. The system that had been established before the PAP took office was left largely in place. Expansion was seen as more important than curricula. The imperatives of the multi-lingual society had a deleterious effect on early efforts at educational reform. In the early years this often resulted in excruciating difficulties for both teachers and students who were ill-prepared for the transition. Prior to separation from Malaysia, Malay was declared the national language, first to court the merger and then to remain within it. For a Chinese dialect speaker this could mean learning Malay, English and Mandarin, the designated Chinese "mother tongue" at school and speaking none of them at home. This example of the government legislating the impossible and being hence disappointed with the results seemed to characterize early efforts at educational reform.

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[195] Milne & Mauzy, p. 11.

Following separation, bilingualism was adopted and universal education was implemented in four language streams (Chinese, Malay, Indian and English) with each stream to learn a "mother tongue" and English. English was the language most suitable for economic development and providing a common medium of communication. It was also the least susceptible to charges of cultural chauvinism from the different racial groups. English was progressively employed more and more in teaching science and technical subjects and the "mother tongue" used in civics and other non-technical subjects. With the advent of bilingual education the drift to English-medium schools became more pronounced.

In the mid-seventies, despite government financial support for expansion of the education system, testing of incoming national service candidates revealed large numbers of English-educated youths were functionally illiterate. Years of concentrating efforts on the brightest students while throwing money at an ineffective system for the rest had produced poor results for a large majority of Singapore's students. This prompted the caustic remark of Goh Ken Swee, who would be given responsibility to fix the problem that, 'Most countries produce illiterates without spending any money'.[196]

The Goh report, completed in 1979, was complemented by a report on moral education by Ong Teng Cheong (who in August 1993 became Singapore's first elected President). The provisions of the report were implemented following a lively debate in Parliament and in public. The major problem identified was the high dropout and failure rate at the primary level which produced a group of people who were essentially unemployable. The universal bilingualism was simply beyond the capabilities of many students.

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[196] Op.cit. in Minchin, p.259.

The solution applied was increased "streaming" of students at earlier and earlier stages of schooling. The streaming solution selects the most talented students by virtue of exam performance and places them in demanding bilingual schools with challenging curricula. Weak students are identified and shifted to monolingual schools and on to vocational training, reducing dropout and failure rates. Singapore's factories get trained workers and the most talented students are given the opportunity to excel in the most challenging educational environment. This is meritocracy in action, and the PAP is dedicated to this concept.

Following the implementation of the recommendations in the Goh report, those who did not represent the polar ends of the talent spectrum were placed into normal and extended bilingual streams. Here their talents could develop and if promising enough, lateral transfers to a more challenging "stream" were possible. The Goh Report also called for emphasis on language skills in the first three years of primary school. By 1983 the government announced that one national stream with English as the only first language would be implemented in 1987, all other languages would be taught as secondary subjects. That move represented the end of Singapore's attempt at full bilingualism for all but the very top students.[197]

As the eighties wore on, Singapore's education system adopted the reforms necessary to produce students who could become useful members of a society geared toward increasing levels of technical sophistication. As the "Singaporean identity" became more well established the more symbolic characteristics of the educational system began to fade. The Chinese medium schools that dominated the educational system early in Singapore's existence gave way to English-medium schools concentrating on teaching skills that result in an employable student product. Full bilingualism gave way to a system which attempted to meet the needs of the entire population by offering practical alternatives to students who were unable to master, simultaneously, language and academic skills. Between 1976 and 1985 the dropout rate was halved and the secondary education completion rate rose from less than 40% to 75%.

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[197] Milne & Mauzy, p. 21.

While these statistics offered a promising view of Singapore's progress, the policies encountered problems. Early streaming of students (beginning at the third year of Primary school) produced a highly competitive situation for very young students. Most children who could afford to do so attended private kindergartens to get a head start on the primary education system. Exams were everything and the social costs to young children were openly questioned by many. For each student who did not qualify for the most desirable stream there were usually two resentful parents. While designed to offer maximum opportunity to a large and diverse population, the streaming system appeared to be biased in favor of those who could afford to get their children extra instruction. The cultural reverence which the Chinese have traditionally placed upon the scholar very much worked in their favor.

Minority populations, both Indian and Malay, continued to lag behind in school achievement and there was little positive evidence to show that

Malays adapted well to the achievement oriented meritocracy that is the essence of the "Singaporean identity." While the reforms begun by the Goh report lifted the performance of the schools for the entire population, the performance gap between the majority Chinese and Singapore's minorities, particularly Malays, tended to be widen.[198] Also, as recognized in the report following the 1985 recession, Singapore did not invest as much in education as the other NIC's and fewer of its students went on to secondary and tertiary education. While this was not a significant hindrance in the industrial era, in an economy shifting up to higher technology, this educational gap has more significant economic implications.[199] The ethnic gap has political as well as economic implications in the multi-cultural society. The decidedly élitist approach to education that the government pursued during the 1980's may have to be modified to meet the changing needs of a new economic vision.

Housing

The most significant problem the PAP faced when taking control of government was the critical housing shortage and the slum conditions faced by the majority of the population. In less than a quarter of a century the government transformed the face of Singapore from a low rise city of urban slums to a high rise society of apartment dwellers. What was once among the most primitive of the world's urban areas became "the public housing laboratory of the world."[200]

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[198] Milne & Mauzy, p. 23.

[199] Lawrence B. Krause, "Industrialization of an Advanced Global City," in Lawrence B. Krause, Koh Ai Tee & Lee (Tsao) Yuan, *The Singapore Economy Reconsidered*, (Singapore: Institute of Southeast Asian Studies, 1987), pp. 58-59.

[200] Barrington Kaye, Op. Cit. in Milne & Mauzy, p. 35.

After 1960 the government built 640,000 high rise apartment units in which 86% of the population live. Two-thirds of these families owned their apartments. Home ownership was encouraged and highly subsidized by the government through various incentive programs. In contrast to Raffles policy of separating the races, the PAP enforced integration and constantly ensures that the ethnic mix of the government housing projects reflected that of the society as a whole. This policy has served to prevent the rise of ethnic enclaves and to reinforce the government's vision of a multi-ethnic, multi-cultural society living harmoniously together. Critics of government housing policies pointed out that it also served to nullify any possibility of the growth of local political centers of power based on the shared interests of any particular ethnic group. Given the PAP's stand of the politics of race, this result was certainly in line with their own vision of multi-ethnic politics.

In this, as in other contentious issues concerning race, the policies of enforced integration and equality of opportunity can be viewed from two contrasting perspectives. First, the hopeful perspective, that by living, working and learning together, the races will draw together and find their primary identity as Singaporeans rather than as Malays, Chinese, and Indians. Second, the insidious, that by denying the opportunity of the various racial groups to organize themselves as a political force, the Chinese, who began with significant advantages, will continue to outpace their counterparts in Singapore. Both of these interpretations probably contain a certain amount of truth.

C. Diplomacy

Singapore found itself in a very tenuous position upon receiving its unexpected independence in 1965. Singapore was sponsored for UN membership by Malaysia shortly after independence and became its 117th member on September 21, 1965.[201] Initial foreign policy initiatives were based on a strategy of non-alignment and Singapore attempted to identify with the Afro-Asian community.[202] Singapore also had some significant advantages working in its favor as it began to reach out to the rest of the world. Because of it location and history as a center of regional trade, there were already thirty foreign consulates and missions in Singapore. Lee Kuan Yew had cultivated his international contacts during the transition period and was well known to the world's political leadership. His contacts with the Democratic Socialist movements were particularly extensive(and ironic).

There was also the additional advantage of being able to conduct foreign policy without much oversight from domestic interest groups. Without opposition in Parliament and with a population that cared little for the affairs of state, Lee and his talented Foreign Minister, S. Rajaratnam, were able to chart their own course in foreign affairs.

Lee Kuan Yew's conduct of diplomacy will be divided into three periods: The "survivalist phase" from independence until the elections of 1968; from 1968 to the fall of the Indochinese states to the communists in 1975 and; from 1975 to the departure of Lee Kuan Yew from the Prime Minister's office in 1990.

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[201] Ministry of Information and the Arts (Singapore), *Singapore Facts and Pictures 1992*, (Singapore: Ministry of Information and Arts, 1992), p. 13.
[202] Ganesan, p. 70.

1965-1968 The Survivalist Phase

Perhaps the single most important strand of Singapore's foreign policy that emerged from the early survivalist phase was the decoupling of trade from issues of international politics. Acutely aware of Singapore's need for economic growth and of its reliance upon international connections to achieve it, Lee and his confederates actively sought trading partners wherever Singapore could find profit. At the press conference announcing the separation from Malaysia Lee stated, in somewhat Churchillian fashion, 'we will trade with the devil', in the event of lack of economic cooperation between Malaysia and Singapore.[203]

The situation with Indonesia changed dramatically with the September 30, 1965 coup and countercoup in Indonesia. When Sukarno's ouster resulted in General Suharto taking control of the country. In December of that year Dr. Subandrio, the new Indonesian Foreign Minister made some tentative overtures for bilateral talks with Singapore (excluding Malaysia) concerning the Confrontation. Lee, in spite of pressure for solidarity with Malaysia, responded that he would meet anybody anytime to seek peace. He softened his foreign policy line, however, by openly stating that the defense and security of Singapore and Malaysia were closely interwoven. Continuing on this line he remarked that defense and security were indivisible from trade and industry. The distinction that he made using these two points was that he would, as long as Singapore's territorial integrity was not threatened, support a security line congruent with Malaysia's but would pursue world trade without regard to the political pressure he might feel from the Kuala Lumpur government. Later in the same interview, Lee revealed that a trade mission from the Soviet Union and Eastern Europe would soon be visiting Singapore.

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[203] Lee Kuan Yew, Press Conference 9 August 1965, op. cit. in Minchin p. 156.

Early in 1966 the Indonesians were making overtures to Singapore, which were condemned by Malaysia at the same time that they (the Malaysians) were involved in secret talks in Bangkok. Lee, in April, embarked on a world diplomacy trip. He visited Cambodia, Thailand, the UAE and London enroute the Socialist International Conference in Stockholm. In Stockholm, Lee stated Singapore's hope to establish social and economic ties with both Indonesia and China provided that these involved a firm understanding of non-interference in internal affairs. There was no discussion of political ties with the Chinese, however. He also pointedly remarked that Singapore had chosen the Israeli model of national defense over the Swiss, remarking that "in our situation it appears necessary to train not only every boy, but also every girl, to be a disciplined and effective digit in the defense of their country".[204]

Shortly after Lee's return from his international tour, Tun Razak, the Malaysian Deputy Prime Minister, announced the end of the confrontation in Kuala Lumpur. While there was much jubilation over the end of the long standoff and the opportunities it represented, there was an uncomfortable disquiet in Singapore over the images of the Indonesians and Malaysians embracing one another as long lost brothers. The idea of a greater Malaysia/Indonesia, *Melayu Raya,* would continue to haunt Singapore. A common front between these two nations, joined by race and religion, is, undoubtedly, Singapore's particular vision of Armageddon. Although

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[204] Lee Kuan Yew, op. cit. in Josey, p. 394.

Indonesia recognized Singapore unilaterally on June 4, Lee contacted Kuala Lumpur and informed the government that Singapore would not recognize Indonesia prior to Malaysia undertaking such an action.

Singapore and the United States got of to a rocky start. Lee, still smarting from the unexpected divorce from Malaysia unleashed a tirade against the United States and its lack of civilization in August, 1965. At a press conference he detailed the efforts, years earlier, of CIA attempts to bribe a Singapore Special Branch officer and subsequent attempts of the Kennedy administration to buy back Singapore's goodwill.

In 1960, the CIA apparently thought that the communists were gaining control in Singapore and attempted to put the head of Singapore's ISD on the US payroll. The American offering the bribe was promptly arrested. A high ranking US official (who Lee still refuses to name), came to Singapore and offered Lee US$3,300,000 to keep the affair from going public. Lee refused, offering that he would instead take $US 33 million in economic aid, which was not forthcoming.[205]

In 1965, when Lee went public with his story, the State Department denied it. When confronted with the possibility of Lee documenting his charges to an eager press corps with incriminating tapes and other documents, the State Department confirmed the charge. As Lee put it:

> [the Americans] are not dealing with Ngo Dinh Diem or Syngman Rhee. You do not buy and sell this government.[206]

Lee railed about the lack of diplomatic courtesy extended when he and Goh Keng Swee visited New York in 1963 to argue the merger issue before the

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[205] Stan Sesser, "A Reported at Large, A Nation of Contradictions," *The New Yorker*, January, 13, 1992, p. 47.
[206] Op. cit. in Sesser, p. 47.

United Nations. He condemned the 'impudence and impertinence' of American specialists who suggested his wife fly to Switzerland or the United States for medical treatment.

Much of the acrimony Lee heaped upon the United States was based on his perception that The United States was far more supportive of the Malaysian government than of Singapore. This was probably true as Malaysia's staunch anti-communism and success in dealing with its own insurgents contrasted starkly with Lee's fancy dancing with the communists in his own party. Lee was concerned with the possibility of the United States intervening in the area in support of the Malaysian government should the British withdraw from the region. His public statements concerning the United States buying and selling leaders in Vietnam and South Korea and the possibility of the United States going in to 'help the racist groups there [Malaysia] and brutalise the country," were but examples of the darts he flung at Washington immediately after independence.[207] An Australian academic, K.G. Tregonning, who spoke to Mr. Lee in September of 1965, interpreted his highly personal criticisms as a calculated ploy to warn the United States that any intervention in Malaysia would make the communal situation worse than it was.[208]

Throughout 1966 the Prime Minister continued to outline the parameters of Singapore's foreign policy. He maintained that two of the axioms that had guided the affairs of many of the developing nations in the post-colonial era had vanished . First, the idea of a monolithic communist world had vanished as evidenced by the Sino-Soviet split and the Cultural

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[207] Ibid, p. 159.

[208] Op. Cit. in Minchin, p. 158.

Revolution in China. Secondly, the notion of Afro-Asian solidarity versus the developed world had fallen apart as the colonial powers withdrew (these were certainly not views shared by United States policy makers at the time). With regard to Vietnam, the Prime Minister expressed his conviction that the present state of affairs, with the Americans fighting to contain communism there, could not be assumed to prevail forever. In an almost clairvoyant assessment, Lee stated:

> We must never believe that the happy situation we are in will go on forever, that the Americans consider South Vietnam fundamental to their prestige and to the whole security of Southeast Asia...
>
> ...we must never assume that they want to do this for ever and ever...there may come a time when their mood may change and they may say, 'no, this is not in my interest.' If you get a shift, a major shift of policy after the present struggles in China, the whole spectrum may change. South Vietnam no longer becomes important. New forms to secure big power interests can be arrived at, and big power interests do not necessarily coincide with your and my interests. You might well get into a situation where big-power interests make it irrelevant whether or not we are engulfed in a bigger whole... And in that contingency, we must have the capacity to make it extremely painful and expensive for ever after because history is an unending process.[209]

That Lee's remarks presage the Nixon doctrine announcement in Guam by three years and the shattering announcement that Nixon would go to China by five years is remarkable. That they were made while Lyndon Johnson was still in office and the American commitment in Vietnam was still on the rise is astounding. The closing of his argument indicates some of the dedication that Singapore would bring to its efforts at building an effective national defense.

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[209] Lee Kuan Yew, Address to the Political Study Center, Singapore, 13 July 1966, op. cit. in Josey, p.328.

Lee and Singapore never did come around to directly support the American effort in Vietnam, nor did they oppose it. Following the British announcement of their impending withdrawal in 1967 Foreign Affairs Minister Rajaratnam expressed an appreciation of the United States as a Pacific power and Singapore's US Ambassador could call on the United States to assume a more positive role in the region as Britain had "lost her grip." The Prime Minister, speaking in Japan in March, 1967 exclaimed that what was happening in South Vietnam "cannot be repeated ... We cannot allow the same forces that have emasculated South Vietnam to emasculate the whole region." He even mooted the idea that a permanent American military presence might be preferable, a presence 'whose creditworthiness would depend on performance.'[210] Barely two months later the same Lee would join India to call for an immediate halt to the bombings as a necessary first step to peace.[211] Later in the year in London, on his way to met LBJ in Washington, Lee described himself as neither a hawk or a dove on Vietnam but an 'owl' looking at what was happening with baleful eyes.[212] The western cultural connotation of the "wise owl" certainly played a part in Lee's avian selection. He spoke of both the dire consequences of escalation and the dangers of a precipitous withdrawal.

He was received with great fanfare by President Johnson who characterized Lee as "a patriot, a brilliant political leader and a statesman of the New Asia."[213]In typical Lee rhetoric, he appealed to LBJ for the building of a relationship based on mutual respect. "You are big and powerful," he remarked "but unless we and others like us in the region can also learn to trust your judgment and to respect it, then I think you will have continuing problems in Asia."[214] Lee managed to rankle a number of people during his stay in the United States by not taking any discernible stand on American actions in Vietnam. The *Far East Economic Review* categorically stated that Lee was "sitting pretty on the bamboo fence...to bend with the wind, to reserve positions of maximum flexibility, to leave all escape hatches well open, to sidestep commitments already made." The *Review*, lamented the 'obvious dedication to expediency' in someone of Lee's caliber, and made the trenchant point that while expediency was no crime, it was an uncomfortable bed mate with a penchant for preaching.[215]

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[210] Op. Cit. in Gould, pp. 234-234.
[211] Gould, p. 235.
[212] Lee Kuan Yew in a speech to the British Labour party, Scarborough, 10 October 1967.
[213] Op. Cit. in Josey, p. 396.

To understand Lee's position is not terribly difficult. It is only irritating in its pragmatism and cynicism. In numerous prior statements he had clearly revealed that he believed the war was unwinnable as long as the regime in South Vietnam could not win the support of the people. He viewed the various Saigon regimes as corrupt puppets, distanced from the people and largely out to milk Washington for as much as they could get to enrich themselves, not their country. In retrospect, this is a difficult point to challenge. He openly admired the Viet Cong's fighting and organizational abilities, but not their ideology. He had gone so far as to suggest, in a Commonwealth meeting on the Rhodesian crisis, that if some of the African nations had similar armed movements that the era of white rule would quickly come to an end.

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[214] Op. Cit. in Josey, p. 398.
[215] Op. Cit. in Josey, p. 408.

Yet, the presence of the United States in Vietnam, especially in light of the impending withdrawal of the British, bought the Singaporeans time to build up their own defense forces. While it was in Singapore's interest for the Americans to remain, Lee was convinced, far earlier than most, that, ultimately, the cause was lost. It is difficult to put a happy face on a message whose gist is: stay as long as you can despite the fact that you will ultimately lose, so that I can build up my security arrangements. But, as the *Review* pointed out, such a message would, perhaps, have been better conveyed more quietly than Lee's considerable ego would allow.

As a practical matter, Singapore welcomed US soldiers on leave and reaped a significant economic windfall from US military spending during the war. While the political line may have been not so blandly non-committal, Singapore certainly placed no practical obstructions in the way of the US effort. While the phrase, 'they laughed all the way to the bank' is a bit misanthropic, if one exchanges preaching for laughter, it is probably accurate.

Another significant event that occurred during the early survivalist phase was the formation of ASEAN. This, in point of fact, could be marked as the beginning of the end of the survivalist phase. While the organization was designed as a forum for mutual cooperation in regional economic, social and cultural areas, many analysts conclude that formation of ASEAN was primarily based on mutual security fears and weaknesses.[216]The regional stage was set for cooperation by the end of the Confrontation, the announcement of the British withdrawal "East of Suez," and the escalation of the war in Vietnam. All of these factors led to a desire on the part of the non-communist governments in Southeast Asia to take a more activist role in regional security. The fears of these countries (the Philippines, Indonesia, Singapore, Malaysia and Thailand) were based largely on the threat of internal insurgencies, with perhaps sponsorship from abroad. The xenophobia of the Cultural Revolution was at its height and the revolutionary rhetoric of the Chinese was troubling to many in the region. The memory of the bloody coup in Indonesia, where the Chinese, communist or not, suffered mightily at the hands of the army were still fresh in the minds of the leaders of these new nations. Singapore, still viewed by some as a potential Chinese outpost in Southeast Asia, had much to gain by becoming more firmly identified as a Southeast Asian nation.

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[216] Rigg, p. 209.

The ASEAN basis for cooperation was centered on efforts to foster economic development to deny the potential "fertile ground" of economic deprivation to revolutionary political movements which would prey upon it as a recruitment tool. Further, regime survival, the ASEAN five agreed, depended upon non-interference in the respective internal affairs of the member nations to enable them to get on with the difficult task of nation building. This task was especially difficult in Malaysia, Indonesia and Singapore in an atmosphere riven with communal differences that tended to work against such efforts. In all these countries there were firm, sometimes draconian measures used to deal with suspected communist elements in society. These measures, contentious as they were in domestic terms, could have been made extraordinarily more difficult by a regional neighbor providing either material or political support to dissident factions. The Confrontation provided ample evidence of this.

Earlier efforts at regional cooperation had failed. The first of these, the Association of Southeast Asia (ASA), had been formed in 1961 and immediately branded by Sukarno of Indonesia as a pro-Western anti-communist front organization. In 1963 Malphilindo (Malaysia, Philippines, and Indonesia), with a communally base Malay membership, excluded the other states and was viewed by a threat by many. It was doomed when the Confrontation began. These early failures, however, established some of the principles that helped ASEAN to succeed where others had failed. The common threads were universal membership and a non-communist, non-communal approach. The Bangkok Conference of 1967 produced a broad definition of cooperation between the original ASEAN five. The twin pillars of ASEAN efforts were to be economic development and political stability. The Indonesian strategy of "national resilience" perhaps best describes the core of the ASEAN agenda. President Suharto described this as the ability of the nation to make the social and economic changes necessary to progress, and to meet all external threats while preserving the country's essential national identity.[217] The acceptance of such an approach, although specifically unstated initially, provided the significant advantage of drawing Indonesia into peaceful and cooperative relations with its neighbors. This was key after a very difficult period in which Indonesia had been viewed as a regional and international pariah. It also represented tacit acceptance of Indonesia, with its huge population and strategic location, as a regional "first among equals."[218]The Bangkok Declaration embraced the widest possible principles of cooperation in the economic, social, and cultural spheres. The tenor of the Declaration reflects these sentiments and the Indonesian principle of resilience:

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[217] *Regionalism in Southeast Asia*, (Papers presented at the first conference of ASEAN students of Regional Affairs; Jakarta, 22-25 October 1974), Jakarta, 1975, p. 8.

> ... the countries of South East Asia share a primary responsibility for strengthening the economic and social stability of the region and ensuring their peaceful and progressive national development, and... are determined to ensure their [the ASEAN states] stability from external interference in any form of manifestation in order to preserve their national identities in accordance with the ideals and aspirations of their peoples;[219]

It should be pointed out that ASEAN, for Singapore, had more political utility than any other attraction. The economic utility to Singapore was negligible, as its economy was far more advanced, and likely to be seen as more of a competitive threat than a complementary partner. As a largely Chinese community, there were cultural gulfs to be bridged rather than common ties to be established. Singapore's ostensible multi-culturalism was an anathema to most of its neighbors. What ASEAN did (and continues to this day to do) was provide a political identification with the region and regularize ties within the region. Singapore is often the "odd man out" in ASEAN policy discussions. While ASEAN has disappointed many critics by its lack of progress in real integration, such criticisms tend to obscure the significant accomplishment of these countries in coming together at all. As Shee Poon Kim points out:

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[218] Roger Irvine, "The Formative Years of ASEAN: 1967-1975" in Alison Broinwski (ed.), *Understanding ASEAN*, (London: Macmillan Press, 1982), p.12.
[219] The ASEAN Declaration, reproduced in, Alison Broinwski (ed.),*Understanding ASEAN*, Appendix A.

> the ASEAN countries form a group of distinct heterogeneous communities that differ greatly in their political, social and economic structures, cultural ethos and ruling elite philosophies. These differences have often been so fundamental that they have predetermined attitudes toward regional cooperation.[220]

When, in January of 1968, the British Labour Government announced that its time table for the withdrawal of its "East of Suez" forces would be accelerated and all troops would depart by 1971, Lee went to London to plead for an extension.

Beyond difficulties with its regional neighbors, if one thinks back to the events of 1968, with the Tet offensive in Vietnam and active insurgencies in almost all the Southeast Asian countries, it is not difficult to find grounds for a significant degree of discomfort in Singapore. At the time, to label Singapore's external defense capability as rudimentary would have been charitable at best and reflective of hopeless naiveté at worst.

Lee managed only to secure a promise from the British to extend their military presence through the end of 1971. As a result of this, security became the top priority concern. With this dragon to slay, as well as the threat of looming unemployment due to British base closures, the PAP dissolved the Parliament and sought a new mandate for the difficult tasks ahead. On February 17, the PAP swept the polls and returned the first of many all PAP legislatures.

1968-1975, ASEAN to the Fall of Indochina.

With the confrontation over and a framework established for civil cooperation with its neighbors, Singapore's international position significantly improved. The initial foray into the Afro-Asian world was largely left behind, Lee contending that Commonwealth partners, Britain, Australia and New Zealand would now pay closer attention to the Commonwealth's specific needs.

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[220] Shee Poon Kim, "A Decade of ASEAN 1966-1977," *Asian Survey*, Vol. 17 No. 8 1977, p. 753.

At the January 1969 Commonwealth Prime Ministers Conference, negotiations began for a defensive arrangement to replace the departing British. Lee Kuan Yew viewed Singapore's Commonwealth connection as a safer alternative to "western leaning" policy that direct association with the United States. In a universe of giant planets, being the midst of the Commonwealth constellation was a useful balancer for the larger gravitational attraction of the massive Soviet and US planets.[221] As far as relations with China, the Prime Minister maintained that he thought China and its 700 million inhabitants were there and could not be ignored. When the excesses of the Cultural Revolution were over, China's power would continue to grow, in particular its nuclear capability. Lee foresaw a day when the major powers would have no choice but to come to grips with the fact of a reasonable balance of power between them.

In May, 1969 Lee visited President Nixon in Washington amidst speculation that the Prime Minister might possibly succeed U Thant as Secretary General of the United Nations, despite his denials that he needed at least 10 years to devote to the development of Singapore. Lee had come at a critical time, just before Mr. Nixon was to make a televised address on Vietnam. He met with a plethora of Washington elites including Dr. Kissinger, the Secretary of Defense, Clark Clifford, and a group of Asian specialists in the Department of State. While in Washington, news of communal rioting in Malaysia, in conjunction with the general elections reached the United States. Lee was uncharacteristically restrained, limiting his comments to a desire that the difficulties be resolved quickly.

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[221] Lee Kuan Yew's analogy mooted at the Commonwealth Prime Minister's Conference, London, January 1969. Op. Cit. In Josey pp. 491-92.

In an interview with the *New York Times* Lee expressed his opinion that a gradual disengagement of US forces was the most prudent policy if the Vietnamese were given adequate time to "get on their own feet and carry the burden themselves."[222] Lee continued on this line concerning the Vietnamese taking up responsibilities they should have taken up long ago. Twelve hours before Nixon's nationwide address (in which he announced that the US had ruled out attempting a military solution on the battlefield, a one-sided withdrawal, or the acceptance of terms in Paris that would be tantamount to defeat. Vietnamization was about to begin), Lee remarked that every thinking person in Southeast Asia had accepted the drawdown trend in US policy and indicated that, if orderly done, confidence in US commitments in the region would not suffer. To the astonishment of his aides, Lee, according to the *Times*, assailed Nguyen Cao Ky of South Vietnam for his extravagance and lack of sensitivity to his people. Lee warned that the mood in the United States demanded that the Vietnamese show the capacity, "not just the willingness - the capacity to stand up for themselves and for what they believe, then this last chance will pass them by."[223]

A month later the *Washington Post* would editorially laud Lee for his correct and realistic view of America's position in Vietnam and somewhat remarkably comment that: "This country has had no stronger supporter of its

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[222] Op. Cit. In Josey, p. 509.

[223] Lee Kuan Yew, op. cit. in Josey, p. 509.

Vietnam effort over the years than Mr. Lee Kuan Yew." Lauding the Prime Minister's pragmatism, the *Post* went on to remark that in private conversations, he was asking less of the Americans than the were asking of themselves. While he had read public opinion correctly, it puzzled and dismayed him. He was realistic. If the public would not see the war through, it was time to begin the gradual withdrawal - to Vietnamize the war. Citing the Prime Minister's assessment the *Post* called upon Secretary of Defense Clark Clifford to follow Lee's advice and give the Vietnamese "an honest, reasonable shot at their own salvation."[224] Being seated atop the bamboo e had paid dividends, the Owl, despite his Janus-like posturing, ended up looking wise indeed.

An interesting post script to the above events is Nixon's assessment of Lee Kuan Yew. It will never be known if Lee had any influence on Nixon's decisions in Vietnam, other than perhaps confirming, from an Asian viewpoint, his own assessment of the political ground. Nixon commented, in his 1982 book *Leaders* that, "the fact that a leader of Lee's breadth of vision was not able to act on a broader stage represents an incalculable loss to the world."[225] This may represent the admiration of a man who shared an almost spiritual affinity with Lee. Two men who knew they were right, and used all the organs of state to press their own visions ahead, with a confidence that, in both, bordered on megalomania. This admiration and affinity may also have been mixed with just a tinge of envy and maybe arrogance. Had Nixon had at his disposal the tools that remain in place in Singapore to this day, Bob Woodward and Carl Bernstein would probably have been detained without trial, the *Washington Post* shut down, and the former President would certainly not have resigned in disgrace.

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[224] Op. Cit. in Josey, p. 510.

[225] Richard M. Nixon, *Leaders*, (New York: Warner, 1982), p. 336.

Singapore's improved relationships regionally and a softening of its paranoia following the foundation of ASEAN opened the door to a resurgence of diplomatic activity. The reception that the Prime Minister received in Washington was also helpful. In June, 1969, in a *Time* magazine interview, the Prime Minister maintained that even if Vietnam fell and Laos and Cambodia were threatened, Thailand, with US backing, would hold. This was of supreme importance to West Malaysia and Singapore. Lee expounded on the need for economic development to forestall the development of indigenous insurgent movements and called upon the United States, Japan and Australia to assist the region by providing capital and expertise. He outlined Singapore's regional role as that of regional spark plug for economic development as the "Venice" of a vibrant trading region. Maintaining his tight-lipped posture on his northern neighbor, he refused to comment on the racial riots there. He later reinforced his conciliatory tone highlighting the ties of history, geography and family that still remained between Singapore and Malaysia, noting that the two countries would always be interrelated.[226]

The Prime Minister visited India enroute to the non-aligned nations conference in Lusaka. At Lusaka, Singapore's departure from the socialist line and increasing distance from the non-aligned was much in evidence. He openly advocated practical development strategies which involved a large wage gap between the skilled and unskilled and the broad utilization of experts from abroad to assist in development. He unabashedly stated that inequality was a necessary component of development. Using Singapore as his example he remarked the "Singapore is developing painfully, unequally, often unjustly....but we are developing."[227]

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[226] Op. Cit. in Josey, p. 531.

Following the Conference in Lusaka, the Prime Minister visited Cairo, the Soviet Union, France, West Germany, and Britain. He then journeyed to the United States where he spent twenty days at Harvard in a "working retreat." He attended the UN General Assembly for the first time and visited President Nixon once again. On the way back to Singapore, Lee lectured at the East-West Center in Honolulu, where he expounded on his beliefs that the transition from the agricultural society to the industrial society required jettisoning those parts of traditional value systems that inhibited the acquisition of knowledge and interfered with work discipline.[228]

Of significance during his world travels were his defense of Singapore's non-aligned status in Cairo, despite Egyptian claims of inconsistency due to the continuing British military presence in Singapore. He maintained that non-alignment had acquired a new definition. According to Lee, in the present circumstances of cooling superpower tension it now meant not to be automatically aligned or committed to fight on one side or the other regardless of the rights and wrongs of the issue involved. He also stated in a speech in West Germany that Soviet Naval ships would be welcomed in Singapore for the economic benefit they provided to the Singaporean economy. "We will repair any vessel from any country because we provide a service to the ships of all the world," Lee stated, qualifying his remarks by stating that such conditions would obtain only under peaceful conditions.

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[227] Ibid, p. 580.
[228] Ibid, p. 588.

Addressing the same topic in London, he explained that he welcomed such opportunities as they provided a peaceful economic approach to greater cooperation. The same applied to the 7th Fleet and the Japanese. He reiterated his hopes for continuing defense cooperation with the British, Malaysians, Australians and New Zealanders once the British departed from their Singapore bases.[229]

Singapore reached a new level of achievement when it hosted the first Commonwealth Heads of Government conference to be held in Asia. Singapore played host to 32 Heads of Commonwealth nations in an event that, in the context of the Commonwealth, had a similar impact on Singapore's image as hosting the Olympic games might have had on the world stage.

The conference dealt with some difficult issues, such as the ongoing controversy concerning British arms sales to South Africa. In true Asian style, Lee mollified the sometimes tense atmosphere by stating that if consensus was not possible "we shall have to decide whether we can agree to disagree."[230] The issue of a rise of US trade protectionism was raised as was the impact upon the Commonwealth of Britain's impending entrance into the Common Market.

Following the triumphant Heads of Government Conference success in 1971, with the conflict in Vietnam winding down and an American table tennis team making a precedent shattering visit to China, the five regional Commonwealth partners met in London to formalize defense arrangements for Southeast Asia prior to the departure of the British. The result of the meeting was a joint communiqué, issued on April 16, 1971, which spelled out a new relationship of the Commonwealth for the defense of Malaya and Singapore which had been the primary responsibility of the British.

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[229] Ibid, p. 590.
[230] Ibid, p. 591.

The Five Power Defence Ministers Communiqué recognized the determination of the signatories to continue to cooperate closely in the region's defense arrangements based on "the need to regard the defence of Malaysia and Singapore as indivisible." The joint communiqué recognized the signatories "belief in the settlement of all international disputes by peaceful means in accordance with the principles of the United Nations Charter." The language of the Communiqué does not require united military action in response to an attack upon one of the signatories, it is therefore not an alliance, but rather specifies that:

> ...in relation to the external defence of Malaysia and Singapore, that in the event of any form of armed attack externally organised or supported or the threat of such attack against Malaysia and Singapore, their governments would immediately consult together for the purpose of declaring what measures should be taken jointly or separately in relation to such an attack or threat.[231]

The initial purpose of the Five Powers Defence Arrangements (FPDA) was simply to fill the void left by the withdrawal of British forces and buy time for Singapore and Malaysia to build up and train their own armed forces.[232] The British Far East Command ceased operations on October 31, 1971, bringing to an end one hundred and fifty two years of British responsibility in the defense of Southeast Asia.

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[231] Reproduced from: Michael Haas (ed.), *Basic Documents of Asian Regional Organisation*, (New York: Dobbs Ferry, 1974)

[232] Brig. Gen. (Res.) Lee Hsien Loong, "The FPDA and Regional Stability", *Asian Defence Journal*, February 1990, p. 31.

Shortly after the FPDA came into existence, the Malaysians brought forward to ASEAN a proposal for the neutralization of Southeast Asia, with such a status to be guaranteed by the great powers. Singapore's *realpolitik* stripes began to show clearly in the debate over the Malaysian proposal for a Zone of Peace Freedom and Neutrality (ZOPFAN). The ASEAN foreign ministers met in Kuala Lumpur in November of 1971 to discuss the proposal. There was no consensus on the Malaysian proposal. The Thai's and Filipinos did not want to jeopardize their defense relationships with the United States and the Indonesians objected to the notion of going "hat in hand" to the superpowers as inconsistent with the principles of regional and national resilience. Singapore, in a typically pragmatic assessment, maintained that such a position, while laudable in its intent, stood very little chance of changing the course of traditional power politics on the part of the great powers, should their regional interests dictate otherwise. What resulted from the conference was consistent with earlier ASEAN agreements. A "lowest common denominator" statement of intent which accommodated all viewpoints. The Kuala Lumpur Declaration (ZOPFAN Declaration, 1971) called for initial efforts on the part of all ASEAN states to secure Southeast Asia as a "zone of peace freedom and neutrality;"

> free from any form of interference from outside powers and [pledged the signatories] to make concerted efforts to enhance and broaden areas of cooperation to contribute to their strength, solidarity and closer relationship.[233]

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[233] The ZOPFAN Declaration, reproduced in, Alison Broinowski (ed.),*Understanding ASEAN*, Appendix E.

While this document required no real action on the part of the signatories, the statement of principle has endured and often forms a part of the continuing security dialogue in the region. By again following the least common denominator approach, ASEAN provided a sound basis for further efforts in an area where no consensus could be reached. While geopolitically insignificant, the declaration was another step forward in regional cooperation and solidarity. The ability to frame unified positions encompassing the viewpoints of all the members, albeit achieving few tangible results, remains a feature of the evolution of ASEAN as a true regional entity.

The ZOPFAN declaration brought to a close the first phase of ASEAN's development. ASEAN's major accomplishment was simply that it endured. ASEAN defined mutual principles, inculcated the habit of consultation, enhanced regional trust and initiated a sense of regional identity. For tiny Singapore, separated from the other countries by ethnic differences and without a large traditional agricultural population, this was vitally important. The stronger its regional identity and the further it could move from an image as a "Chinese island in a Malay sea" the safer Singapore would be.

In addition to increasing commitment to ASEAN, the early 1970's saw Singapore adjust its foreign policy in reaction to the oil shocks. The neutralist policy towards the Arab-Israeli dispute (*de facto* pro-Israeli due to Singapore's military links to Israel and Lee's affinity for the Israeli position as similar to that of Singapore, surrounded by Muslims) was adjusted slightly toward the Arab position to secure oil supplies and mollify it Muslim neighbors. Singapore sent trade missions to the Middle East and offered its expertise in the management of port facilities there. Singapore actively courted petrodollar investment in Singapore. Lee Kuan Yew got along particularly well with the Shah of Iran, visiting Teheran in 1975. That same year, however, a new and dangerous threat would change the source of events in Southeast Asia.

Phase II, The Shocks of the Mid-Seventies.

The fall of Vietnam followed quickly by communist takeovers in both Laos and Cambodia were the central events of the mid-seventies. Additionally, the death of Tun Razak in Malaysia and Chou En-Lai in the PRC changed the political landscape in Asia and Southeast Asia. The election of Jimmy Carter in the United States in 1976 further muddied the international political waters.

On May 12, 1975 Lee spelled out his view before the Asia Society in New York:

> I believe my best course of action is to take an intermediate term view of events. I have no apocalyptic predictions. Nor will my views tranquillise [sic] opinion that all is and will be well, for that way I shall surely lose my credibility and reputation...[234]

The strategy that emerged was to increase the prominence of ASEAN with Singapore staying in the background as much as possible while the United States licked it wounds. Still sensitive to criticisms within the organization of Singapore asserting itself, the role of unseen guide, previously eschewed by Singapore was adopted with, if not relish, a recognition of the circumstances. With a growing defense capability,

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[234] Op. Cit. in Minchin, p. 186.

Singapore was a quintessential "Nixon doctrine state." The plan was to attract a maximum of US investment and to gather whatever military assistance that might still be available.

The Bali Conference of ASEAN in February, 1976 brought the heads of the ASEAN governments together for the first time in what many have called the group's watershed event. The Vietnamese victory was a disturbing, though expected, event in Southeast Asia. Possessed of the most powerful army in Southeast Asia, there was no indication that the Vietnamese were disposed to cordial or even functional relations with the non-communist ASEAN states. The need for solidarity in ASEAN, while remaining non-provocative to Hanoi, was seen as acute and drove the members together to seek more effective methods for regional integration.[235]

The Bali Summit produced three important documents: The Treaty of Amity and Cooperation, The Declaration of Concord, and the Joint Press Communiqué. The Treaty of Amity and Cooperation was a more detailed effort to specify principles of cooperation into concrete terms. It contained proposals which endorsed United Nations recommendations for economic cooperation on basic commodities, industrial projects, trade and international issues. Again, differences existed, with Singapore and the Philippines accepting a more modest position on reducing tariffs and movement towards freer trade that they desired. [236] While consensus on regional trade was difficult, agreement on presenting a united front vis-a-vis the developed world was more forthcoming. This effort came on the heels of one of

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[235] Rigg, pp. 211-212.

[236] David Irvine, "Making Haste Less Slowly," in Alison Broinowski (ed.),*Understanding ASEAN*, pp. 42-43.

ASEAN's few early successes of obtaining concessions from the Japanese with regard to synthetic rubber production. These efforts marked the real beginning of ASEAN solidarity on a number of trade issues.

On the diplomatic front, the membership decided during preparatory negotiations to remove any discussion of military or security cooperation from the agenda. Given the regional situation, the view of ASEAN leaders was that such discussions would have the effect of appearing antagonistic to the Vietnamese, without enhancing regional security. The decision to avoid collective security discussion and rely on bilateral cooperation became a *de facto* principle. The political nature of the relationship was solidified and the concept of national resilience was incorporated in the Treaty of Amity and Cooperation. This reconfirmed the ASEAN principle that economic development, not military power, was the key to regional stability.[237] The treaty also established procedures for conflict resolution among members, specifically eschewing the use or threat of force.

The Declaration of Concord outlined the framework for the program of actions to be carried out and established the administrative mechanisms for implementation. It provided details on all the areas originally envisioned in the Bangkok Declaration, with a section on politics, economics, social issues, information and security. The bulk of the Concord dealt with economic programs, as one would expect, given the tenor of discussion. The security statement is telling in its simple (and brief) language:

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[237] Russell H. Fitfield, *National and Regional Interests in ASEAN: Competition and Cooperation in International Politics*, (Singapore: Institute of Southeast Asia studies, Occasional Paper no. 57, 1979), p. 15.

1. Continuation of cooperation on a non ASEAN basis between the member states in security matters in accordance with their mutual interests.[238]

The Joint Press Communiqué summarized the achievements of the summit and, in typically nebulous ASEAN language, highlighted the signatories "satisfaction with the progress made in the efforts to draw up initially necessary steps to secure respect for the zone [ZOPFAN]" and the intention "that these efforts should be continued."[239]

With ASEAN solidified, Singapore moved into the larger world stage. The death of Chou En-Lai signaled the beginning of the end of the era of the communist giants in China. Chou, whether for cultural reasons or ideological reasons, held a particularly low opinion of Lee Kuan Yew. His passing enabled Lee to make his first trip to the homeland of his ancestors in May of 1976. He was received by Mao, ailing from a recent stroke. The China that had been viewed only from afar finally had a human face. It was at last recognized that Singapore might gain from contact with its "spiritual mother."[240] Diplomatic recognition would have to wait until the rest of Southeast Asia (most particularly Indonesia) came around, but extensive informal contacts would develop until that day finally arrived.

Another significant break occurred for Singapore in 1976. The PAP resigned from the Socialist International, preempting a Dutch Labour Party move to have them expelled for non-democratic practices and manipulation and repression of the labor movement. While Singapore mounted a hasty and effective campaign to refute the Dutch allegations, including a book by longtime PAP labor leader Devan Nair aptly entitled *Socialism that Works*, the break with the socialist world was completed. It was not completed without a great deal of acrimony. The Singapore version of socialism, "equality of opportunity, not of result" so reminiscent of a clever manipulation of the capitalist credo, was firmly established.

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[238] Declaration of Concord, reproduced in Alison Broinowski (ed.), *Understanding ASEAN*, Appendix C.

[239] Joint Press Communiqué, reproduced in Alison Broinowski (ed.), *Understanding ASEAN*, Appendix F.

[240] Minchin, p. 186.

Singapore's policy of dealing with both portions of the world's divided nations was also firmly established by the mid-seventies. The bridging of the China gap closed that book once and for all. Relations with Hong Kong continued to be close and productive. Taiwan, once a corrupt right wing target of PAP vilification, overtook China in two way trade with Singapore. Lee began regular visits to Taiwan and military training ties were established. Relationships with both Koreas and the two Germanys continued apace Dealing with both sides of countries or blocs divided by ideology had become an operative principle in Singapore's pragmatic public diplomacy.

With regard to Japan, Lee and Singapore continued to court the Japanese for investment and technology and was open in his admiration of the mighty feat the Japanese had achieved in the post-war reconstruction and rise to world prominence.

Lee's position on Japanese militarism had softened by the 1970's. When initial fears of a resurgence were apparently not realized, Lee began to call for an upgrading of Japanese preparedness and limited burden sharing with the United States. The election of Jimmy Carter in 1976 caused some uncertainty throughout Southeast Asia. The need to check the growing Soviet presence in

Southeast Asia and the Indian Ocean called upon the United States to be relieved of responsibility near the Japanese islands. As the eighties approached, more and more of the affairs of state were left to Rajaratnam and later to his equally competent successor S. Dhanabalan.

1979, The Crisis in Cambodia: ASEAN Matures Politically

The Vietnamese invasion of Cambodia in 1979 caught ASEAN flatfooted. The destruction of the buffer state between Thailand and Vietnam directly threatened Thai security and profoundly altered the regional strategic situation. With 200,000 battle-hardened Vietnamese troops in Cambodia, ASEAN faced its most significant security challenge. D.K. Weatherbee describes the situation:

> The westward military thrust into Kampuchea by the Vietnamese gave concrete expression to the foreboding and looming menaces that informed ASEAN security managers since the communist victories in Indochina in 1975. No matter how complex the factors may have been in Hanoi's decision to invade, it was a dramatic demonstration to a worried ASEAN of the willingness of its potential adversary to use force in pursuit of its external political objectives. The perception was that the first Southeast Asian 'domino' had fallen to aggressive Vietnamese expansionism.[241]

ASEAN's swift reaction is indicative of the gravity with which the situation was viewed. A week after the Khmer Rouge were driven from Phnom Penh, an ad hoc meeting of ASEAN Foreign Ministers was convened to craft a unified response. A statement was quickly released deploring the invasion and calling for an immediate withdrawal of Vietnamese forces. While this may seem unremarkable, previous ASEAN statements had been painstaking in their avoidance of language that might offend Hanoi. Potentially contentious issues, such as the exodus of seaborne refugees, which had plagued all of ASEAN throughout 1978, had elicited only the most lukewarm responses. The firm ASEAN stance, in conjunction with pledges of support for Thailand from the United States and China tilted ASEAN ever close toward the West and away from the Soviets. Soviet sponsorship of the Hanoi regime was viewed as the enabling factor for Vietnamese adventurisim. The growing Soviet presence in Vietnam, both Naval and Air Force units, reinforced this drift away from stated neutrality objectives.

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[241] D.K. Weatherbee, "ASEAN Defense Programs: Military Patterns of National and Regional Resilience" in *Security, Strategy and Policy Responses in the Pacific Rim*, Y. Whan Kihl & L.E. Grinter (eds.) (Boulder Co.: Lynne Rienner Publishers, 1989) p. 185.

ASEAN adopted a three pronged approach to bring pressure to bear upon Vietnam to end the occupation. The strategy was put before the United Nations by Singapore's able ambassador, Tommy Koh. The diplomatic front opened in the United Nations. In the UN, the ASEAN delegates led a highly successful effort to deny international recognition of the Heng Samrin government. Despite the pressure that the members faced to recognize the new Cambodian government in the face of the revealed barbarity of the Pol Pot regime, the consensus of the ASEAN members was that the precedent of a change of government by force of arms, violating the basic principles of national sovereignty, must be opposed. On the economic front, ASEAN led efforts to isolate Vietnam to ensure that Western and particularly Japanese, assistance would continue to be withheld from the Vietnamese government. On the military front, tacit support of the Khmer Rouge, by channeling Chinese military supplies to resistance forces based in Thai border areas was commenced. By maintaining pressure simultaneously on these three fronts, ASEAN felt that it could eventually make the cost of the occupation too high, forcing a withdrawal or negotiation on favorable terms.

As part of the diplomatic effort, Lee Kuan Yew, who had a close relationship with Prince Sihanouk, was enlisted to put together a alternate Kampuchean government from three politically irreconcilable and military and numerically unequal factions, including the frightful Khmer Rouge. The ASEAN sponsored Coalition Government of Democratic Kampuchea (CDGK) was in the main, an ASEAN creation. The ability of the ASEAN group to maintain a common front on the Cambodian issue is an impressive achievement, given the somewhat disparate views of its members. Singapore was, in public, particularly harsh in its criticism of the Vietnamese in contrast to the somewhat muted view of Indonesia, which viewed China as more of a long term threat. Privately, however, Singapore had to be "persuaded" to back the hard line ASEAN position.This was perhaps a Lee tactic to wring some concessions from some of the concerned parties.[242] Despite attempts to maintain a low profile in ASEAN and minimize differences, Singapore continued to be the odd man out on many issues. So much so that Lee proposed a novel approach of Five minus One for consensus in ASEAN, which would leave the remaining four able to enact programs without the consent or participation of Singapore.

The era of Lee Kuan Yew (as Prime Minister) approached its end in the late 1980's, Singapore had established itself as an influential and above all independent player in the foreign policy arena. Its sensitivity to the ethnic issues of the countries surrounding Singapore has been acknowledged symbolically by its deference to Indonesia with regard to diplomatic recognition of China. Singapore was deliberately the last country to recognize China. In a classic, if perhaps misguided, attempt to assert its independence, Israeli President Chaim Herzog paid a state visit to Singapore in November, 1986, provoking a furor in its Muslim neighbors, especially Malaysia. The visit also sparked controversy within the Singapore Parliament, where Muslim MP's issued a statement acknowledging the "disappointment and unhappiness" of the Muslim community.[243]

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[242] Minchin reports a shouting match between Lee and Australian PM Malcom Fraser following the 1980 Commonwealth Heads of Government meeting in New Delhi which eventually resulted in Singapore backing the hard line position in exchange for military benefits from the Australians. See Minchin p. 190.

The arrests in 1987 of a group involved in a "Marxist conspiracy" and the subsequent coverage it received in the press (both locally to justify the arrests and internationally to condemn it) indicate Singapore's steadfast refusal to bend to international pressure with regard to its internal affairs. The US-Singapore relationship suffered in 1987 and 1988 as the detentions continued. Singapore requested the removal of United States diplomat E. Mason Hendrickson in May, 1988 for alleged "close contact" the former Singapore Solicitor General, Francis Seow, and other lawyers "to manipulate and instigate Singaporeans, in order to bring about a particular political outcome."[244]The United States denied any wrongdoing by Hendrickson, but withdrew him as requested. The United States asked Singapore to withdraw from the United States a diplomat of similar rank. The Department of State handled the controversy deftly, clearly indicating its desire to settle differences in a manner befitting relations between friendly countries.[245]

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[243] Lee Boon Hiok, "Leadership and Security in Singapore: The Prevailing Paradigm," in *Leadership and Security in Southeast Asia*, Mohammed Ayoob & Chai Avan Samudavanija (eds.) (Singapore: Institute of Southeast Asian Studies, 1989), p.177.

[244] *Recent Developments in Singapore and Malaysia*, Congressional Hearings, 1988 p. 8.

Largely due to the restraint of the State Department, relations were quickly on the mend, with the Prime Minister stating in a speech before Parliament in June, 1988 that given the importance of the bilateral relationship, it was time to put the incident behind both parties. While the State Department maintained its position of principle, opposing both detention without trail and subsequent restrictions on foreign publications, it acknowledged that:

> It [democracy] takes different forms in different places, shaped always by the special historical, cultural, and societal forces that exist in a given country. But it is a strengthening trend around the world, and in spite of some recent disquieting developments, we are optimistic that a commitment to fundamental democratic values will continue to exist in Malaysia and Singapore.[246]

In August 1989, near the end of Lee Kuan Yew's last term of office, in the midst of the difficult US-Philippine base negotiations, Singapore offered the United States access facilities for both the US Air Force and Navy. Always the geo-politician, Lee was concerned that the United States would withdraw from the region if the base talks proved unsuccessful. He may also have been attempting to put some pressure on the Philippines to move forward with the base negotiations by demonstrating solidarity with the Philippines for a continued United States presence. The offer raised some criticism in Malaysia, but the objections were quickly answered to Kuala Lumpur's satisfaction.

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[245] Ibid, pp. 151-152.
[246] Ibid, p.154.

The final significant foreign policy action of Singapore under Lee Kuan Yew was the resumption of diplomatic relations with China. Ever sensitive to regional concerns, Singapore had pledged to be the last of the ASEAN states to renew the formal tie with China. The road was finally opened for Singapore when the Indonesians resumed normal relations with Beijing in August 1990. Singapore followed suit in October. It should be noted that there was some cynicism among the ASEAN states on Singapore's deference to Indonesia with regard to China. Lee was viewed as having built significant enough connections since his first trip in 1976 to gain all the benefits of normal relations while still maintaining a principled position vis-a-via the "paranoid" government in Jakarta. The cozy position of Goh Keng Swee as a consultant in China following his retirement contributed to such this impression. Still, it is significant that the Government of Singapore, always at the ready to assert its independence, deferred on such an issue. It is a clear indicator that the impression of Singapore as a Southeast Asian state first is a primary concern. The political reality of dealing with one's neighbors first as the cornerstone of diplomacy is a legacy which will be passed to a new generation of leaders.

If one central theme emerges in Singapore's foreign policy in the ear of Lee Kuan Yew, it is that the government has consistently acted in what it sees as its long term interest, despite occasional missteps and behind the scenes manipulation. The offer of facilities to the US military was made because it was seen to be in Singapore's national interest.

Lee still (1994) remains in government as the Senior Minister in the Prime Minister's office and he will continue to exert an enormous influence on Singapore's foreign and domestic affairs. The successor generation faces the daunting task of managing a delicate foreign policy mix, rooted in the survivalist ethic of its founders and dedicated to the proposition that the interests of the great powers must always be dealt with while recognizing regional sensitivities as well. Accomplishing this without having the significant reputation of Lee directly at the front of the effort, has both advantages and disadvantages. With those countries Mr. Lee has rankled in the past, and they are many, the successors have the opportunity to mend fences. With those who have come to respect, grudgingly or otherwise, Lee's considerable ability and foresight, the new generation will have to prove themselves worthy of the mantle they have inherited.

D. Defense

The experience of the PAP leadership through the turbulent era of merger and separation embedded a strong belief that the new country could not afford to make mistakes or falter in any way, and that if it did, it would not be able to recover. This fear of failure has had its impact on the country's security policy and helps to explain the Herculean efforts undertaken since 1965 to ensure the Republic's security.[247] As Goh Keng Swee put it, "...If we have no defence we will be swallowed up in no time."[248]Besides small size and strategic location, the security perceptions of Singapore's leaders have been shaped by the country's location between two large Malay-Muslim neighbors. There is a well founded measure of paranoia present in Singapore based on the treatment of the Chinese throughout Southeast Asia. Bliveer Singh, one of Singapore's most prolific writers on defense issues categorically states that:

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[247] Bilveer Singh, "Singapore's Management of Its Security Policy," *Asia Pacific Community*, Summer 1985, No. 29, p. 77

[248] Op. cit. in Obaid ul Haq, "Singapore's Search for Security" in *Leadership and Security in Southeast Asia*, Stephen Chee (ed.) (Singapore, Institute of Southeast Asian Studies, 1991), p. 129.

> the Chinese in Southeast Asia have been the object of jealousy, hatred and persecution, and are still perceived as a potential "fifth column" and a vanguard for Chinese expansionism. In view of this fact, the predominance of Chinese demographic strength has created security problems and the Republic has been charged with being a "Third China." Viewed largely as a "Chinese state" in a "Malay Sea" the Republic faces acute economic and military problems vis-a-vis its larger and often difficult Malay neighbors, and this has played a crucial role in shaping the security perceptions and policies of Singapore's leaders.[249]

The presence of these two states, Indonesia and Malaysia, with divergent ethnic-religious orientations and a history of difficult and sometimes hostile relations with predominantly Chinese Singapore, led to a siege mentality in early Singapore.[250]

At independence, Singapore had only two infantry battalions which were trained and equipped mainly for internal security operations. Two thirds of these units were Malaysians. It had no air force or navy to speak of.[251] The constraints of size (both geographic and population) and financial resources limited the available options of the newly-independent city state. Proposals were considered and rejected until the leadership decided on the citizen army concept. This would involve the conscription of "national servicemen" to make up the majority of its manpower pool. This conscript force would be trained and administered by a core group of professional officers and noncoms, enabling Singapore to assemble a credible military force quickly and relatively inexpensively.[252]

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[249] Bilveer Singh, "Singapore's Management of Its Security Policy," *Asia Pacific Community*, Summer 1985, No. 29, p. 79.

[250] R.S. Sassheen, "The Singapore Armed Forces, Geared for Total Defence," *Asian Defence Journal*, April 1989, p.6.

[251] Obaid Ul Haq, "Singapore's Search for Security: A Selective Analysis" in *Leadership and Security in Southeast Asia*, Stephen Chee (ed.) (Singapore: Institute of Southeast Asian Studies, 1991) p.130.

Without experience in such matters and under pressure to move quickly, the leadership selected the Israeli model, based on that of the Swiss, but battle tested in the Israel's struggle for survival in the Middle East. During the early 1960's the similarities between Singapore and Israel had become apparent to Lee Kuan Yew. Both were migrant enclaves surrounded by Islamic nations. Both were subject to what was viewed as resentment from disaffected Muslims within their own populace.[253] The Singaporeans were impressed with the Israeli Defense Force's (IDF) compressed training program that could quickly produce combat ready soldiers. Equally important, the Israelis could rapidly mobilize extensive reserve forces in times of crisis to meet threats from larger neighbors able to field armies manned mainly by professional soldiers. This was seen by Singapore's leaders as a vital quality for the manpower poor island city-state to develop.

Having settled on the Israeli model, a number of senior officers and civil servants from the then Ministry of Interior and Defence went to Israel to negotiate terms for military advisers. The Israelis agreed to assist in the development of training methods, doctrine, combat tactics, operational procedures, logistic management, intelligence and so on. While in Israel, the representatives of the Singapore government were able to observe first hand the functional aspects of the IDF.[254]

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[252] M. Shuhud, The Singapore Army: "A Flaming Sword In The Righteous Cause Of National Survival," *Asian Defence Journal*, June, 1987, pp. 6-7.
[253] Minchin, p. 239.
[254] M. Shuhud, p.7.

Singapore quietly imported Israeli military advisors, by some reports in the hundreds, who began arriving toward the end of 1965.[255] When news of this reached Singapore's Muslim neighbors, they reacted with predictable outrage. When later questioned on the political wisdom of employing Israeli military advisors, given the location of Singapore in the center of the Malay-Muslim world, the Prime Minister responded with a typically taciturn answer:

> We are not very particular where other people get their advice. We turn to those whose experience is relevant to ours....The Israeli model offered us a better pattern to go by.[256]

This remark and others indicate the extent to which Singapore's military strategy and defense doctrine are geared to meet the perceived threat from Singapore's neighbors, particularly Malaysia. Fresh from expulsion, the security of the tiny island republic was pursued with a vigor bordering on mania. In an 1966 address to the people on the eve of National Day (August 9) the Prime Minister, exhorting the people to help him build a "hard society, a tough, rugged society" to ensure their ability to survive, commented that "everybody must know that small though we may be, this place is not a digestible morsel."[257] This comment provided the basis of Singapore's early defense metaphor of the "poison shrimp," able to cause extreme discomfort or perhaps death to any who tried to devour it.[258]

This regional bias in security strategy has remained part and parcel of Singapore's military strategy since its inception. Size has dictated that threats from large powers be dealt with through diplomacy and seeking a place under the wing of those more powerful. It has also dictated the design of indigenous defense forces which are quite capable of inflicting grievous damage on any potential regional aggressor. This axiom in Singapore's foreign policy was elucidated in an oft quoted Lee remark made during an address before a seminar in International Relations in Singapore in 1966:

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[255] Ibid, p. 7.
[256] Lee Kuan Yew, op. cit. in Josey, p. 477.
[257] Ibid, p. 333.
[258] Milne & Mauzy, 157.

> When you talk about foreign policy, unless you are a big power, an intercontinental power... you are really talking about your neighbors. *Your neighbors are not your best friends, wherever you are*...So my foreign policy has two objectives. One the right political climate. The other power. For you can have the best of political climates, but *if the power to sustain your position is not there you must lose*....[259] [italics added]

The National Service Bill was introduced to Parliament in February 1967 just as the first of the Singaporean military professionals were preparing to graduate from the Israeli designed Singapore Armed Forces Training Institute (SAFTI). The first classes at SAFTI had convened in June of 1966 and the first batch of graduates were commissioned in June of 1967, to be ready to train the incoming conscripts. The National Service Bill made every fit man and woman eligible for compulsory national service in defense of the country beginning at age eighteen. As an incentive for acceptance of the new system, the ten percent of the available conscript pool who would initially be called for full time duty (the complete two year training period) were to be guaranteed jobs following service, in government, the Statutory Boards, or the private sector. The Prime Minister and the government conducted an extensive campaign to enhance the status of the soldier in society in an effort to overcome the long-standing derogation of soldiering in the Chinese community. Singapore's Chinese (and indeed the Chinese in general) had long regarded simple soldiering as a low status occupation, unworthy of the aspirations most had for their sons. The attitude that "one should not use good iron to make nails" was deeply entrenched in Singapore's Chinese.[260]Singapore has been moderately successful in the effort to promote military service as a position of high honor, much in the pre-war Japanese mold (but without the ideological fervor). There are still those who are less than enthusiastic about military conscription and national service but they have no choice .

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[259] Lee Kuan Yew, op. cit. in Josey, pp. 343-344.

The Israeli military advisers, who were presumably without command function in Singapore's army, were assigned right down to the platoon level. The impact of the Israeli's on Singapore's military culture and operational doctrine is highlighted by the fact that they continued to advise the Singapore Army at the battalion and company levels until 1973 and at the brigade and division levels until 1975. These advisers, most of them tough young majors and captains, have left a lasting impression on Singapore's Army.[261] The doctrine of the SAF and the notion of lightning attack by highly mobile armored units under the cover of total local air superiority is evidence of this Israeli influence. This effect cannot be overemphasized.

The military buildup began with the infantry and quickly moved to support arms. These all followed the pattern of training instructors first, then a first batch of Officer Cadets and then the instruction of National Service recruits.[262] The Signal Corps received its first batch of trainees in 1967 and soon thereafter began training conscripts. Artillery training began about the same time with recent SAFTI graduates preparing an artillery course to be ready for the first class of conscripts in early 1968. Artillery was quickly followed by Combat Engineers, including a Bomb Disposal Unit, whose core officers were trained by the British in the UK.

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[260] Milne & Mauzy, p. 158.
[261] M. Shuhud, p.7.
[262] Ibid, p. 7.

The final support arm to be developed was Armor. The original impetus for an armor capability was the desire to develop a reconnaissance battalion. This initially proved infeasible and while these plans were on hold, the 4th Singapore Armour Brigade was formed. The basis of the tank battalion was to be the Vehicle Commando Unit (VCU). In 1968, 36 officers were posted to the VCU where they received preliminary instruction before being sent to Israel for tank training. In 1969 training was conducted in Israel on the AMX-13 tank which the Singaporeans had decided to buy from the Israelis. During their exercises in the desert, the trainees used the hulks of tanks left over from the Six Day War for target practice.[263] Singapore's first tanks were delivered in June of 1969. In July of 1970 two companies of national service recruits were trained as tank crewmen and the 40th Battalion, Singapore Armour Regiment became operational. The new AMX-13 tanks were paraded before the public on National Day in August of that year.[264]

With the establishment of the Armor Battalion all the necessary arms of the ground forces were established and progressing rapidly. The first group of national servicemen was released to the reserves beginning in 1969. By the end of the following year there were six active duty infantry battalions and three full battalions of reservists. Expanded command structures for both the active and reserve components were established. In 1970 the Ministry of Interior and Defence, which oversaw the early defense establishment, was separated into the Ministry of Defence and the Ministry of Home Affairs. This was an indication of the increasing complexity and size of the defense establishment. By 1970 the army was on track, but the air force and navy were still accorded a relatively low priority. The announcement by the British in 1967 of the withdrawal "east of Suez" gave impetus to the program for the Army and forced the government to look for solutions to the pressing needs for air and sea defense. When the date for withdrawal was moved up from the mid-70's to 1971 by the new Labour government in 1968, the search for innovative solutions continued.

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[263] Ibid, p. 10.
[264] Ibid, p. 10.

The establishment of the FPDA in 1971 was the initial solution to Singapore's more complex defense problems. The FPDA bought additional time for Singapore in the development of its armed forces, especially the more capital intensive naval and air arms. The "arrangement" also provided a useful means for Singapore and Malaysia to engage in a regular form of military cooperation, a useful function given the hot and cold nature of the bilateral relationship. Initially each of the external powers stationed one infantry battalion in Singapore. The British contributed naval units (up to six frigates), *Nimrod* maritime reconnaissance aircraft and a squadron of *Whirlwind* helicopters. The Australians contributed one frigate and a destroyer to the FPDA. The British and Australians also assumed additional maritime responsibility, establishing a rotating submarine presence in the region.[265]

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[265] Chin Kin Wah, "The Five Power Defence Arrangements: Twenty Years After," *The Pacific Review*, Vol. 4. No. 3 1991, p. 196.

The FPDA established the centerpiece of regional air defense, the Integrated Air Defense System (IADS). This initially solidified the commitment of the Commonwealth to regional air defense. Australia provided the teeth of the IADS, stationing two squadrons of *Mirage* fighters in Butterworth, Malaysia where IADS headquarters was also located.

As Chin Kin Wah points out, the "thinning out" of external forces began almost as soon as their deployment was completed. The initial external contribution of about 7,000 men, directly responsible to an ANZUK (Australia, New Zealand, United Kingdom) commander began to wane by 1974. Both Australia and the UK were now under Labour governments which began to question the expense of overseas troop deployments. The Australian troops were removed in early 1974 and the last of the British ground forces had departed by March of 1976.[266] Australian air power, however, remained in the region for some time beyond the withdrawal of ground troops, the *Mirages* being finally withdrawn in mid-1988. Malaysia now has only a minimal foreign military presence, with rotating detachments of Australian P3 Orion Maritime surveillance aircraft and support personnel and a small infantry company stationed at Butterworth. The New Zealand infantry contingent and air support group, never very large, were finally withdrawn from Singapore in 1989. Although the bulk of aircraft for local air defense now come from the local nations, an Australian officer continues to be assigned as the Commander of the IADS, as has been the case since its inception. The Australians conduct rotating deployments of F/A-18 aircraft to Butterworth and sometimes Singapore from their new base at Tindal in the

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[266] Ibid, 196.

Northwest Territory.[267] The contribution of the Australians to the FPDA has been recently characterized by their leadership as based on political rather than military considerations.[268]

Singapore made the most of the crucial buffer time the FPDA provided to address the problem of regional air defense for the island republic.[269] The Singapore Air Force was established under the air defence command in 1968. The Royal Air Force (RAF) assisted Singapore in establishing an air force pilot training program at Tengah Air Base. The Republic of Singapore Air Force (RSAF) began training pilots locally in 1969 when the Flying Training School was established. The first group of pilots to graduate locally were then sent to Britain for training in fighter aircraft.[270]The slower development of the air arm is a reflection of the perceived threat, at least the threat that Singapore was capable of dealing with autonomously, as arising from Malaysia. The Malaysian armed forces had no significant air capability, relying on its Commonwealth partners for air defense.

Singapore was left with excellent facilities for the development of its air force including the Tengah Air Base, site of the training school and the center of regional air defense activities, and Seletar Air Base, which was upgraded following the departure of the British. The first British trained pilots returned to Singapore in 1971, the year the FPDA was negotiated and were assigned to one interceptor squadron composed of sixteen Hawker Hunters and a ground attack squadron with sixteen Strikemasters and four Hunters. The aircraft acquisitions made the defense budget of 1971 the largest government expenditure. This aggressive defense procurement was made possible only by a generous compensation package from the British as part of its withdrawal from its Singapore facilities.[271] By 1979 Singapore acquired 30 Northrup F-5 E/F fighters which now form the backbone of its interceptor force. These replaced the aging British made Hawker Hunter F74's. The Hunters were moved into a ground attack role where they now augment a force of A-4 Skyhawks acquired from the United States during the 1970's.[272] By the beginning of the 1980's the RSAF was a credible force to discourage any regional aggression.

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[267] Ibid, 197.

[268] Paul Dibb, *Review of Australia's Defence Capabilities: Report for the Minister of Defence,* March 1986 (Canberra: Australian Government Publishing Service, 1986) p. 48.

[269] Sassheen, p. 20.

[270] Federal Research Division, Library of Congress, p. 228.

Airspace restrictions have made adequate training areas for the RSAF a difficult problem. Singapore makes extensive use of simulators and has concluded a number of agreements for the training of its pilots outside Singapore. Prior to the Mt. Pinatubo eruption in the Philippines, the Singaporeans maintained a semi-permanent presence at Clark Air base for advanced pilot training making use of the advanced facilities there such as the Crow Valley instrumented range.[273] Singapore also has training agreements with Brunei, where its helicopter units are routinely deployed.[274]

The Navy was, as the Air Force, slower developing than the Army. It originated from the Singapore Maritime Command, established at Sentosa island in 1969. The initial maritime assets consisted of two aging training ships. Construction agreements were concluded with the German Lürssen Werft firm and the British Vosper company for joint production of the first combat vessels. The first two gunboats were delivered in 1969 and the first Singapore-produced craft from the same design were introduced in 1970.[275] The Republic of Singapore Navy (RSN) was not established as a separate defense arm until 1975. The RSN was tasked with two separate missions within the overall defense strategy, the seaward defense of Singapore and protection of the sea lines of communication. The Navy once again echoed Israeli Naval strategy, relying on fast missile armed gunboats for offensive punch and providing the Army with sufficient sea lift capability to conduct amphibious operations should conditions dictate, the latter being a crucial function given SAF doctrine.

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[271] Federal Research Division, Library of Congress, p. 238.
[272] Federal Research Division, Library of Congress, p. 234.
[273] Sassheen, p.20.
[274] Ibid, p. 20.

Results of the 25 Year Military Buildup, "Total Defence"

As a result of its dedication to comprehensive defense planning and investment, by the early 1980's Singapore had built one of the most modern and capable military machines in Southeast Asia. In 1984 the government unveiled its program of "Total Defence" as a philosophy that would provide an overarching scheme of defense synergy involving contributions from all sectors of Singaporean society. With improved relations with its ASEAN neighbors, a cooling of global tensions and a much less tense and threatening environment, the "Total Defence" program was more a renewed nation building exercise than a shift in defense policy. By elucidating its defense vision and highlighting the part that each sector of society played in the grand scheme, society at large was expected to regain a heightened awareness of the ongoing vulnerability of Singapore, despite the cooling of the sense of immediate danger that had prevailed early in Singapore's existence.

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[275] Federal Research Division, Library of Congress, p. 228.

There are five pillars of "Total Defence," these are described by the government as follows:

> ...the citizens commitment to the nation and their confidence in the defence and future of the country (Psychological Defence); the unity of the multi-racial, multi-cultural and multi-religious society (Social Defence); Government, business and industry organising themselves in such a way that the economy will not break down when faced with external attack, be it military or economic (Economic Defence); the ability to safeguard civilian lives, help the injured and limit damage during emergencies (Civil Defence); and the ability of the Singapore Armed Forces (SAF) to provide credible military deterrence against threats to Singapore's sovereignty and territorial integrity, and to secure a swift and decisive victory over aggressors should deterrence and diplomacy fail (Military Defence).[276]

Using the above defined "pillars" one can usefully look back at the accomplishments of Singapore in the first twenty-five years of its existence as an independent nation. The "Total Defence" concept is unique among Southeast Asian nations and is designed to limit Singapore's vulnerability to external and internal threats through preparedness, awareness and, if need be, action. One of the most interesting parts of this defense philosophy is its extension of the defense rhetoric into spheres that are rarely addressed in these terms in most countries, especially in peacetime. The first two pillars of the "Total Defence" structure, Psychological Defence and Social Defence deserve special mention as these are easily the most controversial. Because of the internal nature of these "pillars" they will be examined in the section dealing with politics that follows the defense discussion. It is only important to note here their appearance in the context of the overall defense strategy and philosophy.

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[276] Ministry of Defence (Singapore), *Defence of Singapore 1992 - 1993* (Singapore: Public Affairs Department MINDEF, 1992), pp. 13-16.

Military Defence

Although "Military Defence" appears last in the context of the government description of "Total Defence", the Singapore Armed Forces (SAF) will be examined first as the civil and economic defense factors are closely related to the functions of the SAF.

National Service

The conscription system upon which the army depends for most of its manpower requires all able-bodied citizens over the age of 18 to be available for service to the nation. Conscripts form the bulk of the active force (60%) and on completion become part of the reserve force which comprises 80% of the total SAF. At any one time, 30,000-40,000 Singaporeans are serving their conscription and another 200,000 are part of the reserve force in the SAF.[277] The conscription system ensures that the SAF has access to the manpower resources of the entire country. The best candidates from this pool are selected for officer and Noncom training, serving an additional six months to acquire the additional training. They become the section leaders and platoon commanders of the SAF and when released to the reserves continue to upgrade their skills and rise in rank through military schooling. These officers fill the bulk of the leadership positions in the reserve force. Military service for reservists ends at age 50 for officers and 40 for all others.

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[277] Ong Boon Kwee(Major RSAF), *A Conscript Military Force as a Credible Defense System for a Small Nation: The Case of Singapore and Taiwan*, Masters Thesis prepared for the US Army War College, Carlisle Barracks, PA. 1987, p. 92.

With the bulk of its strength in the reserves, heavy emphasis is placed on maintaining operational readiness. The Singaporean system involves the transfer of entire units from active to reserve duty, together with the bulk of their officers and NCO's. Conscript soldiers, therefore, usually remain in the same unit with which they trained, enhancing unit cohesion and esprit de Corps. Reserve unit training is accomplished in a thirteen year cycle involving annual in-camp training and routine physical fitness training. Reserve officers hold many key command and staff billets.[278] As a reporter from the Asian Defence Journal described it:

> Unlike the reservists in other ASEAN armed forces, those in the SAF have be well tested in the open mobilization system...[the reserves] state of operational readiness is exceptionally high, which is to be expected in a nation that regards itself vulnerable to foreign interference.[279]

The conscription system and active reserve solved the immediate manpower problems of the SAF, both in quality and quantity, and continues to adequately fulfill its needs today.[280]

Republic of Singapore Army

Active duty Army strength leveled out at roughly 45,000 of whom 34,000 are national servicemen. Reserve strength stands at 250,000. The Army consists of three divisions, two of which are reserve units. In addition to the Divisional Groups there are two commando battalions of infantry, two Armored Brigades and a Tank Battalion. Support Artillery, Engineer and Signal Battalions round out the force. The Army has 350 French designed

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[278] Ibid, p.38.

[279] Sassheen, p.11.

[280] In addition to serving in the SAF, National Servicemen may serve in the Singapore Police Force or the Singapore Civil Defense Force. The numbers serving in these organizations is small compared to those serving in the SAF.

GIAT AMX-13 tanks and in excess of 1000 armored personnel carriers. The Artillery fields more than 90 155mm guns, which Singapore is now producing locally. Additional firepower is provided by 81mm and 160mm mortars and the new locally produced 120mm mortar.[281]

SAF doctrine, although never explicitly stated as such, embraces the concept of forward defense, including the doctrine of preventative attack. The assumptions this rests upon are twofold, first, Singapore will defend itself as far from its border as possible and second, the SAF will preempt military aggression by dealing the first blow.[282] While this may seem an unduly threatening posture across the causeway, Shuhud Saaid, points out the reasons for such an approach:

> *It is difficult to defeat or dislodge a numerically superior attacking force if the SAF is obliged to deploy its forces into defensive positions within such a confined and congested area as Singapore.
>
> *Taking the war to the enemy denies him initial success in his offensive and avoids the need of having to eventually retake ground ceded to him.
>
> *Starting its defence as far forward as practical ensures that its forces have the greatest possible operational and tactical depth.
>
> *Because Singapore is more a city than a state, a strategy which calls for a war to be fought on the 'home ground' would be economically ruinous and psychologically unacceptable. From Singapore's perspective, it is far better to stop the rampaging bull a safe distance from one's shop than wrestling with it after it has entered the shop. One may eventually kill it, but not before it has wrought untold damage on all that expensive crockery.[283]

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[281] Statistics from *The Military Balance 1992-1993*, The International Institute of Strategic Studies (London: Brassey's, 1992) p. 159-160.
[282] M. Shuhud Saaid, "Girding up for total attack through Total Defence,"*Asian Defence Journal*, February 1987, p. 7.
[283] Ibid, p. 10.

The Republic of Singapore Air Force

Key to any such strategy would be control of the air. The Republic of Singapore Air Force (RSAF) is the showpiece of the SAF. The force is comprised of 6,000 active duty personnel, 3,000 of whom are conscripts and fill only support roles. It is quantitatively larger than that of both its regional neighbors and qualitatively superior as well. In the fighter/attack role at the end of the 1980's it has a fleet of three squadrons (63 total aircraft) of upgraded A-4 Super Skyhawks for the ground attack/support role, augmented by the aging Hunters. Its interceptor force is comprised of 2 Squadrons of F-5's (a total of 29 fighter configured aircraft and 8 RF-5's for airborne reconnaissance). The real qualitative edge of the RSAF is its AEW capability. Singapore acquired 4 E2-C Hawkeye early warning aircraft from the United States, the first being delivered in 1987. Truly an awesome force multiplier, the Hawkeyes provide Singapore with a trump card in any regional air war. The capabilities of the Hawkeyes are unmatched by Singapore's regional neighbors. Referring once again to the Israeli connection, the performance of the Hawkeyes in the air war with the Syrians over the Bekaa Valley in 1982 was singled out by the Israelis as the most crucial factor in their dominance of the air. The E-2's detected Syrian fighters on their takeoff rolls prior to leaving the ground and the attacks and intercepts directed by the E-2 radar operators decimated the Syrian Air Force. The comments of some "interested observers" in Southeast Asia are germane. Said one such observer, "With the Hawkeyes, the RSAF can neutralize our air force in a matter of hours and proceed to destroy our critical C3 nodes: command posts, communication centers, early warning sites..." Another regional observer stated, in a somewhat more succinct manner, "When the RSAF Hawkeyes enter service, we can kiss our Air Force good-bye."[284]

The RSAF's total of more than 130 aircraft are more than regional neighbors Malaysia and Indonesia combined. Singapore also possesses a helicopter fleet sufficient to support airborne assault operations in conjunction with the army's commando units. By the end of the decade contracts had been concluded for one squadron (nine aircraft) of F-16 A and B models with long term options for more, to continually maintain the RSAF's regional air superiority. Plans were made for the acquisition of Maritime Surveillance Aircraft (Fokker MPA's) in the late eighties to breach a significant gap in maritime patrol and ASW aircraft. The Hawkeyes are useful in this regard as well. With excellent radar coverage and command and control capability, the E-2's can significantly decrease time necessary for patrol or attack aircraft to locate suspected hostile vessels.

The Republic of Singapore Navy

From its inauspicious beginnings as a fleet of two, the Republic of Singapore Navy (RSN) has expanded to become a credible, if not overwhelming, force. The RSN's immediate zone of responsibility is the confined area of the Straits.[285]Aside from primary duties of protecting Singapore from seaborne threats and securing the Sea Lines of Communication (SLOCs), the RSN conducts anti-piracy patrols, fishery protection, coastal patrol and assists in air-sea rescue. A necessarily unstated mission of the RSN (in conjunction with the RSAF) would be interdiction of sea traffic between east and west Malaysia in time of conflict. It would also attempt to preclude support for Malaysia from Indonesia in the same scenario should such be forthcoming.

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[284] Sources unnamed, Op. Cit. in Saaid, "The Singapore Armed Forces, Girding for Total Attack..." p. 19.

[285] Guy Toremans, "The Republic of Singapore Navy," *Naval Forces*, Vol. XXIX No. 1, 1992, p.11.

The 4,500 man force operates approximately 40 ships from its headquarters at Palau Brani. The Navy operates six separate squadrons of ships and emphasizes sea denial through the use of Fast Attack Craft. Its six modern *Victory* class missile corvettes and six *Seawolf* coastal missile craft are all equipped with Harpoon anti-ship missiles.[286]

The RSN possesses 18 smaller patrol craft and two aging minesweepers. This glaring deficiency in mine countermeasures has been addressed by concluding a contract with a Swedish firm for four modern mine countermeasures craft. The Navy does possess the ability to support amphibious operations, although its five remaining (four operational) US made *Endurance* class LST's are World War II vintage and beg replacement. The Navy also has three hovercraft and four Ramp Powered Lighters (a medium landing craft) and a large number of small assault craft for the amphibious role (crossing the narrow Strait of Johor, after all, would not require large seaworthy craft).[287]

The Eighties, the metaphor changes.

By 1983 Singapore's military preparedness had improved to the point that Singapore's leadership was able to change the metaphor of the poisonous shrimp. Goh Chok Tong, then Minister of Defence (who subsequently succeeded Lee Kuan as Prime Minister in 1990) described the shift as follows:

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[286] The Military Balance 1992-1993, p. 160

[287] Guy Toremans, p. 9.

> We prefer to think of ourselves as a porcupine - friendly, no threat to anyone. But if the porcupine in threatened, the quills will be up in defense of itself. If the predator insists on further annoying the porcupine, the porcupine will rush backwards, of course, with the quills up, charge backwards into the bigger predator and the quills can cause an awful lot of pain. There are very few animals that can take on the porcupine. That is the kind of overall defense strategy which we will have.[288]

The rush of the porcupine backwards seems to clearly indicate that the quills would be pointed squarely at Malaysia.

The Doomsday Scenario, War With Malaysia

In a quite provocative article on the Singapore/Malaysia nexus, Tim Huxley, a longtime Singapore and Southeast Asia watcher, labels war with Malaysia "thinking the unthinkable." Huxley asserts that the whole structure of the SAF, with its heavy emphasis on armor, capability for rapid mechanized movements and close air support is designed specifically for operations across the causeway and up the peninsula. While Soviet-inspired Vietnamese adventurism may have provided Singapore a useful cover for many years, the main impetus for Singapore's military build up and continuing modernization was never a communist military threat.[289] Huxley goes on to assert that Singapore would aim to disable Malaysia with a brutal and fearless preemptive strike, much in the manner of their Israeli mentors. The scenario that Huxley envisions has Singapore initially establishing complete control of the air, destroying most of the Malaysian Air Force on the ground, as in the 1982 Israeli campaign. The weakness of Malaysian air defenses makes this an entirely probable outcome. The Army would conduct a lightning armored assault across the causeway, which would have been secured by para-dropped commandos and helicopter borne strike units. The highly mobile mechanized armor units would then move rapidly up the peninsula under cover of the RSAF, with the RSN securing the maritime flanks against interference by the Malaysian Navy and preventing interference by naval units of any "interested" regional powers--e.g. Indonesia. Huxley anticipates that Singapore's forces would penetrate the peninsula about 80km into Johor and establish a defensive line there. Such an operation would secure Singapore's water supply and provide the SAF with substantial strategic depth, leaving Singapore outside the range Malaysia's artillery. Occupation of southern Johor, relatively sparsely populated and containing a disproportionate ethnic Chinese population, would be a very difficult, but manageable, proposition.[290]

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[288] Op. cit. in Bilveer Singh, "Singapore's Management ..."p. 93.
[289] Huxley, p. 205.

It is important to note that while the SAF appears to be designed for operation just as Huxley describes, the chances of such a scenario developing are remote. Resort to force would only be attempted under the most grievous circumstances. The provocation for Singapore to act would have to be extreme. The damage to Singapore's cherished reputation as a safe and profitable haven for foreign investment, would be severely damaged. Almost instantly, Singapore would be transformed explicitly into what it has been only implicitly in the past, the Israel of Southeast Asia.[291]

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[290] Tim Huxley, "Singapore and Malaysia: A Precarious Balance, "The *Pacific Review*, Vol. 4. No. 3 1991, p. 208

[291] Ibid, p. 210.

Singapore's carefully cultivated military prowess and the ability to inflict severe damage on Malaysia is a deterrent capability, never intended to be used. The fact of the matter is that tiny Singapore is extremely vulnerable to invasion from the peninsula. Should the regime in Malaysia be overthrown, or a fundamentalist Muslim leader come to power, admittedly an unlikely prospect, the situation could change so rapidly that time would simply not permit Singapore sufficient warning to prepare to defend itself otherwise. In a very real sense, the causeway to Johor is Singapore's "Fulda Gap," a scenario that all wish to avoid but nonetheless the central focus of military planning. This mind-set is well described by Shuhud Saaid:

> The reunification fear - utterly incomprehensible and irrational from Malaysia's perspective - is so deeply embedded in Singapore's political culture and its leaders' thought processes that short of an act of God (such as Malaysia being submerged under 1,000 meters of water *a la* Atlantis) little can be done to minimise or erase the fear... Mindful of the military mistakes the British made in the Far East during World War II - mistakes which ultimately led to the fall of Singapore - much of the country's defence planning has been geared toward meeting 'the threat from the north'... Indeed, the much feared and fully expected 'invasion from the north' - whether by Vietnam or some other regional power is immaterial - is an almost obligatory initiating scenario for Singapore's wargamers. This scenario is now so firmly set in concrete that to try to convince Singaporeans otherwise is an exercise in futility.[292]

Lest its northern neighbor doubt Singapore's resolve, the SAF has made clear its determination to resist and defeat any attempt to compromise its hard won sovereignty. Consider the farewell speech of the Prime Minster's mercurial son, given upon his retirement from the SAF. Brigadier General (Reserve) Lee Hsien Loong has obviously inherited at least a portion of his father's rhetorical skills:

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[292] Saaid. "Girding up for Total Attack..."pp. 6-10.

> The SAF is an armed force; it is not a civilian corporation.
> Its mission is to defeat its enemies, ruthlessly and completely. It is an instrument of controlled fury. Soldiers must have steel in their souls...must learn to kill and not flinch, to destroy and not feel pity, to be a flaming sword in the righteous cause of national survival.[293]

Lee the Younger's rhetoric later in the 1980's caused Singapore some difficulties with its regional neighbors. B. G. Lee was questioned on restrictions on Muslim Malays serving in the armed forces. The particulars of the question involved a suggestion for minimum ethnic quotas for certain high level military positions, the example mooted being fighter pilots. Muslim sensitivities were particularly acute at the time. The Israeli President had visited Singapore the previous November, despite the vociferous protests of Singapore's Islamic neighbors.[294]B.G. Lee indicated his position in these now infamous remarks:

> We live in Southeast Asia, if there is a conflict, if the Singapore Air Force is called upon to defend the homeland, we don't want to put any of our soldiers in the difficult position where his emotions for the nation may be in conflict with his emotions for his religion because there are two very strong fundamentals and if they are not compatible then they will be two very strong destructive forces [pulling] in opposite directions.[295]

The remarks provoked predictable outrage in Kuala Lumpur and Jakarta. He was widely quoted in the popular press of both countries. Leading Indonesian papers criticized the remarks warning they could affect relations with neighboring countries where Malays were the dominant race. The Indonesian Foreign Minister remarked, quite accurately, given the circumstances, "If Singapore wants to firmly establish its national identity and unity then [Lee] should not have made those remarks."[296] The Golkar party's daily, in an editorial commented, with words that must have shaken girders and gleaming glass in Singapore that, "the future leader of Singapore seems unable to free himself from racial and religious sentiments."[297]

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[293] Lee Hsien Loong speech given at Khatib Camp, Headquarters of Singapore Artillery, September 18, 1984, op. cit. in Saaid, "A Flaming Sword..." p. 5.

[294] *Asian Defence Journal,* July 1987, p.99.

[295] *Asian Defense Journal,* April 1987, p. 95.

In a somewhat dubious attempt at political damage control, B.G. Lee later remarked that his obvious misstep was an intentional remark to raise the issue to the forefront of the national agenda, "re-sensitizing Singaporeans to the reality of multi-racial society." He continued, indicating that the debate thus far had not adequately covered three key points, Total Defence, community development and *Singapore's vulnerability.* [italics added][298] Any doubts about the most likely potential military adversaries are probably settled by these comments.

Civil Defence

In the "Total Defence" philosophy government, business and the people are all made aware of and to varying degrees participate in substantive programs that heighten their awareness of Singapore's vulnerability. Each citizen is made aware of his responsibility to be part of a cohesive society which is a critical part of maintaining the sovereignty of the nation. While the transference of the survival ethic to a new generation of Singaporeans is undoubtedly useful as a nation building tool, it is nonetheless true that the conditions in Southeast Asia could change very rapidly.

In 1964 against the backdrop of the Confrontation with Indonesia, which included numerous terrorist acts in Singapore, the government established the Vigilante Corps to assist the police in community patrol and reporting on activities considered suspicious. This was an entirely volunteer group who were trained in general police procedures. After the advent of conscription, some of the conscripts were assigned to perform police duties in the Vigilante Corps or another police oriented group known as the Special Constabulary. The Police National Service Command was established in 1967 to train and organize the conscripts. At the time the volunteer forces numbered about 12,500. By the 1970's most of the Vigilante Corps were conscripts who assisted the police in their home communities at night, on weekends and during times of emergency. In the early eighties, in response to an excess of conscripts, the government expanded the national service scheme to include service in civil defense organizations. In 1981 the Vigilante Corps was disbanded and the members reassigned to the newly established Civil Defence Force. The force is trained for disaster response and construction skills to assist in times of disaster or external attack. By the late eighties a vigorous civil defense program was in place and exercises were routinely conducted in selected locations. Units conducted exercises which not only enhanced readiness for possible wartime scenarios but had a community service aspect as well. In 1986 the government passed the Civil Defence Act, redefining the mission and responsibility of the Civil Defence Force.[299] By 1989 the Civil Defence force was manned by about 40,000 national service reservists and 18,000 volunteers.[300]

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[296] *Asian Defense Journal.* May 1987,p. 110.
[297] Ibid, p. 110.
[298] *Asian Defense Journal.* July, 1987.

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[299] Federal Research Division, Library of Congress, p. 220.
[300] Ibid, p. 269-270.

Vulnerability, as such, is no mere paper tiger, no idle rhetoric in the PAP's bag of opinion shaping tricks. Tim Huxley, describes the "Total Defence" strategy as remarkable in several ways:

> - it attempts to provide a degree of security from enemy attack unmatched elsewhere, except perhaps Sweden and Switzerland;
> - it involves the wartime mobilization of human and other resources on a scale matched only in Israel, some European neutral states and the rapidly diminishing communist world;
> -and it necessitates *per capita* defense spending exceeded only in the United States, Israel, and oil rich countries like Saudi Arabia. Overall, Singapore is probably the most densely defended state.[301]

Economic Defense, Defense Spending and the Arms Industry

Singapore has always accorded a high priority to providing adequate budgetary resources to national defense. During a recent interview, Dr. Yeo Ning Hong commented:

> A strong defence has been the foundation of Singapore's success and prosperity. An architect who seeks to raise a high rise building by taking from its foundation is reckless and foolhardy. He risks the total collapse of the entire building and the lives of those in it....
>
> Singapore is a nation of high-rise buildings...We know that the higher we reach for the skies, the deeper our foundation must go...
>
> Our experience over the past 25 years has shown that for Singapore 6% of our GDP is most appropriate. Such a budget does not hold up national development in any way.[302]

Defense spending in Singapore is capped by legislative fiat at 6% of GNP. From 1987 to 1991 per capita defense spending was a remarkable $ 550 (US). Among ASEAN, Thailand was a distant second in per capita defense spending at $33 (US). During the same period of time defense spending as a percentage of GNP stood at 5.1%.[303]

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[301] Tim Huxley, "Singapore and Malaysia: A Precarious Balance," The *Pacific Review*, Vol. 4. No. 3 1991, p. 205.

[302] "An Exclusive Interview with Dr. Yeo Ning Hong, Singapore's Defence Minister," *Asian Defence Journal*, February 1992, p. 11.

The philosophy of defense spending was well elucidated by Shuhud Saaid in a 1987 article:

> Unlike many other countries Singapore is one country which has not allowed trifling matters like adverse trade figures, economic downturn and such stand in the way of what it regards as it over-riding concern; the defence and security of the nation. This is reflected in the fact that in the midst of the worst economic recession in over two decades, expenditure on defence *increased* compared to previous (and better) years.... There ought to be a moral in this for finance ministers everywhere, whose number one priority whenever there is an economic downturn is to strangle defence expenditures regardless of the consequences to the nation's overall defence posture and quite unmindful of the impact such a cut would have on national security....the government has not forgotten what President John F. Kennedy, in stout defence of America's military spending, said over twenty years ago: Only when a nation is strong beyond doubt can it be secure beyond all doubt.[304]

With an expanding economy, inadequate funding is not a problem for the SAF. With regard to upgrading its C3I capabilities, with purchases such as the E2-C Hawkeyes, money is never a problem. One of the reasons that Singapore is able to shop in the world's arms markets, particularly in the United States, is the fact that it produces and services many of military needs in indigenous defense industries, saving foreign exchange. It also conducts a significant arms export trade, earning foreign exchange.

Defense Industries

Economic Defence includes a robust arms industry, designed by Goh Keng Swee with the assistance of Australian consultant Sir Laurence

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[303] Gerald Segal, "Managing New Arms Races in the Asia/Pacific," *Washington Quarterly*, Vol. 15, No. 3, Summer 1992, p. 85-86.

[304] Shuhud Saaid, "The Singapore Armed Forces Pt. 1: Girding Up for Total Attack Through Total Defence," *Asian Defence Journal*, February 1987, p.5.

Hartnett. Defense industries were begun to eliminate vulnerability to outside suppliers. As Sir Laurence stated:

> From the start, the Singapore leaders were determined to avoid political alignment with foreign nations, and this was particularly true in the matter of arms supplies from abroad which might have come with political strings attached.[305]

In the context of Singapore's difficult birth, such a viewpoint is not difficult to understand. As Singapore progressed, the nature of its armaments industries emphasized those which would assist it in maintaining its forces in a conflict where it might find its political motives questioned by the world community. It seems clear that the areas in which Singapore has specialized, small arms, artillery, and ordnance production as well as modification and maintenance capabilities for its own equipment, would enable Singapore to carry out a military campaign in the face of possible arms embargo. This point is highlighted by Lim Hock Gin in *Pointer* magazine, the SAF's in house publication, discussing the six military related reasons for having a defense industry:

> 1. To insure self-sufficiency in the production of critical war materials and in providing essential maintenance services;
> 2. To develop a local maintenance capability;
> 3. To acquire technology which could facilitate adaptation of our military hardware to changing threat scenarios;
> 4. To form part of the SAF supply system in times of hostility [and] to ensure security of supply of critical weapons and ammunitions;
> 5. To enable a minimum stock of ammunition to be kept during peacetime and reduce the maintenance effort and cost required for such a stockpile; and

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[305] Sir Laurence Hartnett, "Operation Doberman: The Singapore Armaments Story," *Pacific Defence Reporter*, April 1982, p. 11.

6. To provide, during the 'warning period', the necessary skills for upgrading or modifying existing equipment to meet the anticipated threat.[306]

Singapore Technology Corporation (STC)was inaugurated in 1983 under the Sheng-Li Holding Company holding company to bring together Singapore's defense industries. It has six component companies.[307]

Chartered Industries of Singapore (CIS) was founded in 1967 and has grown into the national star of defense industries. It produces a wide range of ordnance from small arms ammunition to large caliber mortar bombs, tank rounds and 155mm ammunition. In 1969 CIS began making M-16 rifles under license from Colt. CIS went on to develop its own assault rifle, the SAR-80, which in addition to being better and cheaper then the M-16 (according to the manufacturer) was also not bedeviled by the export restrictions that the licensing agreement with the US for the M-16 entailed. In 1980 CIS began production of the Ultimax-100 light machine gun These two weapons alone put Singapore on the map as international competitors in the small arms trade.

Ordnance Development and Engineering (ODE) was incorporated in 1973, under the guidance of Sir Laurence Hartnett, for the production of smaller volume weapons such as field guns. It has grown to three plants involved in many different ordnance related fields. These include gun barrels, a 120 mm mortar, overhaul of 35mm Anti-Aircraft guns, assembly and servicing of 76mm Naval guns and the manufacture of a 155mm Howitzer. ODE also produces extended range mortar bombs in a variety of sizes.

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[306] Lim Hock Gin, "The Defence Industries" *Pointer*, Vol. 11 No. 1 October - December 1884 , p.4.
[307] Bilveer Singh, "Defence Production in Singapore," pp. 9-10

Singapore Automotive Engineering (SAE), formed in 1971, was designed to service and modify Singapore's tanks and armored personnel carriers. SAE has done vehicle retrofits of surface to air missiles on Singapore's V200 APC's and other modifications of Singaporean Army equipment. [308]

Three other companies Singapore Computer Systems (SCS) and Singapore Automotive Leasing (SAL) and Unicorn International (UI)provide essential services to the arms industry. SCS provides computer services for both CIS and SAE and is the information clearinghouse for STC. SAL is the leasing arm of the STC and has expanded with a subsidiary which has been spearheading the country's movement in robotics and automated production technology. Unicorn International (UI) is the marketing arm of Singapore's defense industries. Formed in 1978 it markets Singapore's military products to the world [309]

In April of 1989, the group of companies under Sheng-Li Holdings had so expanded that they were once again reorganized as Singapore Technologies (ST), offering a comprehensive range of goods and services. In 1989, just prior to the change of Prime Ministers, ST was comprised of 48 companies employing over 11,000 people in Singapore and overseas. ST companies are streamlined into five sectors, the familiar Chartered Industries of Singapore Ltd.(Ordnance), Singapore Aerospace Ltd. (Aerospace) Singapore Shipbuilding & Engineering Ltd.(Marine), Singapore Technologies Industrial Corp. Pte Ltd (Industrial) and Singapore Technologies Venture Pte Ltd. (Ventures).[310]

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[308] Lim Hock Gin, p. 6.

[309] Bilveer Singh, pp. 9-10.

[310] David Boey, "Singapore Business Industry built on ambition," *Jane's Defence Weekly*, 22 February 1992, pp. 287-288.

Robust and growing, Singapore's "military industrial complex" is able to service and maintain Singapore's armed forces as well as upgrade its equipment. It defense industries are a notable strength, not only militarily, but economically as well. Information on Singapore's foreign military customers is difficult to come by. Given it non-ideological trade practices in the past, its arms sale might prove a point of contention. *Jane's Defence Weekly* reported sales of arms to the Croatian National Guard, which highlights this possibility.[311]

E. Politics

The Forms of Democracy

The Constitution of Singapore provides the basis for Singapore's institutions of government, outlining the composition of the executive, legislative and judicial branches. The Constitution dates from colonial times and as such reflects the political ideas of the British resulting in a Westminster type parliamentary system. The legislative branch is chosen by popular elections, which, at a minimum, must be held every five years. The legislators then "choose" the executive leader, the Prime Minister, who governs with the assistance of the cabinet, whose members are chosen from Parliament by the Prime Minister. The cabinet is responsible to the legislature, relying on the legislature's support for its government. If this support is lost, the familiar vote of "no confidence," the government is dissolved and new elections are held.[312]

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[311] "Armour to small arms," *Jane's Defence Weekly*, February 22, 1992, p. 292.
[312] Milne & Mauzy, p. 77.

The Singaporean system differs from the British system which inspired it in four respects.[313] First, Singapore has a written constitution, which the British lack, which can be amended by a two-thirds vote of the legislature. Second, Singapore has only one house of Parliament. Third, Singapore has an appointed presidential advisory council with limited oversight powers to review proposed legislation that might unfavorably impact Singapore's racial or religious groups. Lastly, there is of course no monarch in Singapore. During Lee Kuan Yew's tenure as Prime Minister, there was a President, elected by the legislature, who served as ceremonial head of state.[314]

The Politics of survival

The struggles of merger and expulsion from Malaysia had moved the PAP from a party with its power in the grassroots of the left to a closed party of circular power. With the PAP CEC approving the cadres and the cadres electing the CEC, the party leadership solidified their positions as behind-closed-door policy makers. Parliamentary debate, when it was held, became mere window dressing for policy which was determined by the PAP's core of elites, the members of the CEC. This lack of legislative input was true for the majority of PAP MPs who were "backbenchers", holding no cabinet portfolio and even more so for the opposition. The PAP majority became the rubber stamp for party policy, into which most had little, if any, input. The opposition became the PAP's whipping boy, harassed and vilified as obstructionists and obscurantists. What was required was swift, decisive action to meet the challenges of unsought independence. Given this mission, and the milieu in which it had to be carried out, opposition was tantamount to treason.

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[313] Ibid, p. 77-78.

[314] The Office of President has subsequently been changed to an elective post with significant power. The first Presidential elections were held in 1993. This constitutional change and its impact will be examined in the following section on politics in Singapore today.

In October of 1966 the beleaguered opposition *Barisan Socialis* members of Parliament walked out "in protest against undemocratic acts of the Government" and declared their intention to take the struggle to the streets. The government took the position that the opposition had degenerated "into a gang of streetfighters" and was no longer a political but a police problem.[315]

The struggle for control of the party and the government during the transition period, first between the leftists and moderates within the PAP and finally, after the party split, between the PAP and the opposition *Barisan Socialis*, left an enduring legacy for the political culture of Singapore. James Minchin describes how this legacy was carried forward by Lee Kuan Yew and the PAP:

> The authoritarian measures the British had adopted to keep the peace suited him well, and by and large he maintained them, even refined and extended them. The initial justification he gave - the prospect of merger with Malaya - removed the colonial stigma. The chief objections to British rule had been to foreign cultural imperialism, or to law and order imposed from outside - not to law and order themselves. By contrast, the Marxists suffered from being seen as the group willing to destabilse an economic system that was not completely uncongenial to the rest of the population.[316]

Following the walkout the PAP used every means at its disposal to destroy the remainder of the grassroots connection of the opposition. The Unions movement was brought to heel, as discussed in the economics section. This had always been the political ground of the leftists and with this connection severed and the looming prospect of detention at every turn, the *Barisan* became impotent as a political force. What had been limited to circumcision prior to independence became emasculation afterward. With political opposition moribund and facing the prospect of an extremely difficult reorganization of both its economy and defenses in the face of the impending British military withdrawal, the Government dissolved Parliament on February 8, 1968 to seek a new mandate. The elections, which were boycotted by the *Barisan Socialis*, represented a watershed in Singapore's political history. The PAP won all of the 58 seats in the legislature. An indication of the effectiveness of the PAP's slash and burn strategy against political opposition is measured by its returning 51 candidates unopposed. This was the beginning of an electoral monopoly that would remain until a single opposition member was returned to the Parliament in a by-election in 1981.

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[315] Josev, p. 349.
[316] Minchin, 29.

Winter had come suddenly to Singapore's political scene, though the signs of politicians falling like the leaves of the trees had been in evidence for some time. The beginning of the "hibernation" of democratic politics in Singapore that this election represented is highlighted by the fact that of the 58 members of the legislature returned in the 1968 elections, 26 had never been in a Parliament with an opposition and 16 had never run in an election against an opposition candidate.[317]

The PAP went through the next three general elections and the next fifteen by-elections over a period of thirteen years without losing a seat in

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[317] Josey, p. 434.

Parliament. The complete dominance of the PAP in all spheres of political activity, remained unchanged until the electoral breakthrough of J. B. Jeyaretnam of the Workers Party in the by-election of 1981. Jeyaretnam's victory was the first sign of stirrings in the hibernating opposition.

What was it that enabled this remarkable dominance of the electoral system in Singapore for so many years? The views of two of Singapore's leading political scientists are instructive. Bilveer Singh elucidates the indicators of the PAP's political dominance and its causes in the following list:

> 1. Its ability to retain all the parliamentary seats in the General Elections and by-elections from 1968 to 1981 as well as most of the seats from 1980 to 1988.
> 2. Its ability to virtually incapacitate all its major political opponents through sanctions and socialization.
> 3. Its ability to gain control of most of the political and non-political organizations as well as the to win co-operation from organizations that are able to mobilize political support among the populace.
> 4. Its ability to establish and gain control of all grassroots organizations in the country, including the Citizens' Consultative Committees (CCCs), the Community Centres (CCs) and the Residents Committees (RCs), thereby functioning as a link between the Government and the people as well as depriving the Opposition of a potential source of recruitment.
> 5. *Its ability to establish strict rules for the media, which in the end, enabled the PAP to use the media almost as its own organ, as well as to deny similar access to its opponents.*
> 6. *Its ability to gain credit for all the progress and development that has taken place in the country and hence legitimize its dominance through the performance criteria.*
> 7. Its ability to present itself as more than a political party, something akin to a national movement, thereby neutralizing the need for other competing political parties in the system which would challenge the PAP's predominance.
> 8. *Its ability to gain control of the civil service and trade union movement.*[318] (Italics added)

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[318] Bilveer Singh, *Wither PAP's Dominance?* (Selangor: Pelanduk, 1992), p. 10.

Dr. Chan Heng Chee, perhaps Singapore's most well known political scientist and its former ambassador to the United Nations argues that the PAP's success issued from three circumstances, two external to the party and one internal party factor. First, the fortunate circumstance of inheriting a well organized bureaucratic system from the British when it assumed power, staffed by experienced personnel. Second, the compact geographic size of Singapore facilitated the creation of a centralized political apparatus that could penetrate the society and direct the population sectorally or individually. Dr. Chan continues by acknowledging a third internal circumstance, the PAP's ability to make the most of the political ground. As indicated by Bilveer Singh's analysis and echoed by Dr. Chan, the PAP made the most of these favorable conditions and built up an extensive organizational network at the grassroots level to enable it to control and mobilize the population.[319]

What resulted from these circumstances and the actions of the PAP was that, in effect, the Party became the government and, from the public perspective, the government became the party. The PAP leadership is not apologetic about this fact. In 1982, perhaps in recognition of the electoral breakthrough of the opposition in 1981, the PAP declared itself a national movement, dedicated to the service of Singapore and to the advancement of the people's well being.[320]

The question begged by both Bilveer Singh and Chan Heng Chee is exactly how did a political party that had cut itself off from the constituency that had brought it to power succeed so remarkably in maintaining its power afterwards. How did the PAP create a grassroots network to replace the one it scorched out of existence in the fires of political survival? The PAP's answer to these questions resides in a combination of strategies. The first, crush its only organized opposition by all the means at its disposal to buy time to implement its vision. Second, create, from its own imagination and vision, first, a new constituent, literally, "a new man." A "Singaporean" with a distinct identity and set of values which coincided with those of its leaders. Taking the best of what their ancient cultural heritages provided and discarding that which stood in the way of progress and modernization, Chinese, Malay and Indian would fade into distant memory and become Singaporean. This was the hope of the leadership and to some extent it has been realized. To accomplish this monumental task, under the most daunting circumstances, required unprecedented vision and unmitigated temerity. As Lee Kuan Yew put it, "First what we know must be done, we explain, and then enforce."[321]

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[319] Ibid, Op. Cit. p. 11.
[320] Minchin, p. 210.

This brings up the earlier mentioned pillars of the "Total Defence" philosophy, Psychological Defence and Social Defence. Although these were elucidated under the rubric of "Total Defence" they have been part and parcel of Singapore's development since independence. This is the crux of the issue between the western view of Singapore and the manner in which Singapore's leaders view their island state. It is no secret that the leadership in Singapore has always viewed economic prosperity as the key to providing a stable society that provides its citizens with all the advantages that civilization has to offer. The challenge was how to bring prosperity to a city-state of more than two million people, with all the societal problems attendant to a large, poor, crowded and racially mixed urban community. To ensure that the society would be prosperous, while living in very small nation devoid of the substance (natural resources) of wealth generation, required that the citizens be the natural resources, each a productive part of the whole. The talents and energies of the people would have to be harnessed with maximum efficiency for the ship of state to move forward. From the perspective of Singapore's leadership, the ship they captained had a small hole in the bow. Only moving forward at a sufficient speed to keep the bow out of the water kept the ship from taking water. To slow meant danger, to stop meant the certainty of sinking, however long it might take, to go in reverse meant certain and rapid disaster.

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[321] Lee Kuan Yew, op. cit. in Minchin, p. 3.

Given the situation Singapore found itself in at independence, Lee Kuan Yew's call for a "hard society, a tough, rugged society" became more a demand than a request. The government, during the twenty-five years of Lee's tenure, undertook a program of suppression of dissent, social engineering and government intrusion into the life of its citizens that is unprecedented in the histories of nations which retain open borders and depend on their populations to validate their rules at the ballot box. Singapore went about the difficult task of building a nation by enforcing good citizenship upon its populace. In doing so the government often used methods which those in the west, preoccupied with rights rather than responsibilities as the basis of societal organization, would often find insidious at best and abhorrent at worst. Make no mistake about it, the government of Singapore brooks no dissent, politically or socially. There is no problem that cannot be solved and no practical solution that is politically too difficult to enact and enforce.

It is useful at this point to break with chronological analysis and look further forward to examine a few of the methods of Singapore's unique approaches to nation building. By doing so, an appreciation of the types of tools the government used to depoliticize its society become more clear. This provides a basis for understanding the quiescence of the political scene for such a long period of time and also gives clues as to the reasons for its rebirth in the early to mid-eighties.

Psychological defense, prior to its designation as such, oftentimes has been extended into areas that have raised western eyebrows in terms of civil liberties. These measures, involving the maintenance of a vigorous and effective Internal Security Department (ISD) and the detention without trial of "subversives." The judiciary of Singapore is largely controlled by the executive, limiting their ability to curb "excesses" of the government. There are significant restrictions on freedom of speech and the press. This results in a situation onetime Singapore resident and longtime Singapore observer Tim Huxley labels "no rule *of* law, merely rule *by* law."[322]

The notorious Internal Security Act (ISA), a British import from the days of the Malayan "emergency," which allows detention without trial of any person or group involved in what the government deems subversive activity, is the tool of last resort in the government's ability to deal with its political enemies. The domestic arm of Psychological Defence is the Internal Security Department (ISD) with tools such as wire tapping, mail interception, immigration checks, direct interrogation, personal shadowing and electronic surveillance at its disposal.[323] These domestic security tools, learned effectively from the colonial British master, were unabashedly retained by the government of newly-independent Singapore and continue to be utilized by the government. Perhaps the most notable example of the use of this power is the case of Chia Tye Poh, a *Barisan* member of Parliament detained in 1966 and finally conditionally released in 1989.[324]

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[322] Tim Huxley, "Singapore's Politics in the 1980s and '90s," *Asian Affairs*, Vol. XXIII Part III, October 1992, p. 284.

Chia was a university lecturer in Physics and a *Barisan* MP from 1963 until 1966 when he, along with the other members of the *Barisan Socials* resigned from Parliament in protest over the PAP's high handed, élitist manner of government. Three weeks after these resignations Chia was one of the organizers of a protest rally against the Vietnam war which was held on the eve of Lyndon Johnson's visit to Singapore. Chia was arrested under the terms of the ISA which Singapore has used against hundreds of political opponents. The Act allows any number of two year detention periods without charges and with no provision for judicial review.[325]

For most detainees, the ticket out of detention is to "confess" their crimes against the state and profess that they understand their mistake and have mended their ways. Chia was unique among Singapore's detainees in that he refused to admit that he was involved in any wrongdoing, stridently maintained his innocence and requested that his case be brought to court so that he could defend himself against any charges. This uncooperative attitude brought a detention of twenty-two years. Although now released, due to his "stubbornness" and lack of contrition, Chia is still restricted from 9 P.M. to 6 A.M. each day to Sentosa island, Singapore's recreation Mecca and site of a beautiful theme park. Chia is Sentosa's only permanent resident where he lives, at government expense, in a guardhouse by the old fort (stop No. 6 on the tourist monorail that circles Sentosa). Chia has been characterized by human rights activists as Singapore's Nelson Mandela. While this is a gross exaggeration, it is a characterization that he maintains was not lost on his interrogators. In a 1992 interview he had the following to say concerning his experience:

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[323] Minchin, p.217.

[324] For a more complete discussion of Singapore's Internal Security Act and its use throughout Singapore's history see *Recent Developments in Singapore and Malaysia*, Congressional Hearings, 1988 (Washington: GPO, 1988).

[325] Stan Sesser, "A Reporter at Large, A Nation of Contradictions," *The New Yorker*, January 13, 1992, p. 55.

> They were telling me that Mandela remained in jail because he had lots of outside support. But they said there's no point in my remaining in jail, because no one remembers me. Mandela at least got a chance to defend himself in court, and now he's a free man. He can travel all over the world. He can take part in politics in South Africa, where the situation is far more tense than in Singapore. But I'm still not free. I don't know why the government should keep me here.[326]

The government virtually controls the local media by ownership of radio and television and strict licensing requirements for the print media, in which the government also has a significant ownership stake. All of Singapore's newspapers are published by Singapore Press Holdings. Anyone who wants to own more than three percent of its stock must first be approved by the Minister of Communications and the Arts. The Minister also has veto power over the company's directors. Government owned companies and agencies are among the largest stockholders of the newspaper company. The *Straits Times*, Singapore's most prominent daily, is so unabashedly a proponent of the government line that critics claim it sometimes irritates even the supporters of the PAP.[327]

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[326] Ibid, p. 55.

Foreign publications which circulate in Singapore and have criticized government policies have found themselves in protracted battles with the Singaporean government. Singapore has consistently maintained that any publication which circulates in Singapore allow it the right of unedited reply to any stories that are the least bit critical of the government or its policies. Those who fail to acquiesce find their circulation limited.[328] The government clearly recognizes the power of the media to shape opinion and feels the responsibility and the right to carefully select what type of content will be permitted. This involves more than just unpopular political viewpoints. Not only will one find no copies of *Playboy* in Singapore, even *Cosmopolitan* is too controversial for the tastes of Singapore's censors. The *Cosmo* girl is apparently not the model citizen. This brings us to the issue of "Social Defence."

Social Defense is the term for building a society that conforms to a set of norms, determined by the government, that produce a tranquil, happy group of citizens who respect one another and the laws of their nation. It is perhaps these efforts that have drawn the most ridicule from the foreign press. The efforts of the government and its rationale for these run the gamut from the sublime to the ridiculous. One thing that does characterize all the efforts is the ability of the government to abandon programs that do not work in addressing the problems they are designed for.

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[327] Ibid, p. 63.

[328] Publications which have, at one time or another had their circulation restricted in Singapore include, *The Far East Economic Review, Time, The Asian Wall Street Journal and The Economist.*

The government, mindful of the communal rioting before and during the merger years, has undertaken significant programs to minimize the potential for racial strife in Singapore. For many years following independence, all education for Malays was free, up to and including university. The government is very sensitive to Islamic freedoms, provided they do not impinge upon the religious freedom of others or attempt to bridge the PAP constructed chasm that separates religion from organized politics. While the dislocation of the Malays in the early years of Singapore's housing program were psychologically traumatic, there are few Malays who would want to return the *kampongs*, with their lack of plumbing, leaking tin roofs, and packs of wandering farm animals, however nostalgic some may be for that simpler time.

Housing is arguably Singapore's most potent socialization tool. The blocks of high rise apartments represent the middle class dream made real. The squalor of "the projects", as government housing has come to be known in the United States, is notably absent from Singapore's government housing, though in other regards the buildings themselves very much resemble US inner city subsidized high rises. There are no walls filled with obscene graffiti, no garbage filling the hallways, no mindless destruction of the amenities. The explanation, beyond stiff criminal penalties, is the fact that ninety percent of these units (and eighty percent of all housing in Singapore) are owned by the people who occupy them. The notion that owners not only have a greater stake in property value (and hence property maintenance and upkeep) than renters but also a greater stake in the health of the country as a whole has been proven beyond doubt in Singapore. Making middle class citizens has produced a generation with little interest in political or racial revolution. As the nation prospers, the housing stock is upgraded to meet the needs of increasingly sophisticated consumers as they trade up, much in the manner of prospering homeowners in the United States, but on a vastly proportionally larger scale. And the older, less desirable units? You find no homeless on the streets of Singapore. Those who are at the lowest end of the wage scale or through circumstance find themselves near the breaking point financially rent less desirable units at extremely low, heavily subsidized prices.

One of the legendary examples of resocialization from the low rise to the high rise society is the urine detectors in the elevators of these high rise complexes. Should a lift occupant be unable to restrain nature's calling, due to incontinence, drunkenness of simply poor manners, a device detects the ammonia in the urine, stops the lift in mid-course and summons the gendarmes to fine the rascal heavily for such anti-social behavior.

The list of proscribed behaviors and the fines that they incur are as large and creative as the ways in which the government uses to discourage and prevent them. Trucks are fitted with flashing lights which go off if the vehicle exceeds the speed limit. Likewise, taxis are fitted with alarms that sound inside the car at above the posted maximum speed limit for the island. Those who run red lights receive their citation in the mail, courtesy of cameras mounted at intersections to record such behaviors.[329] Chewing gum is completely banned from Singapore because of the mess it created when improperly disposed of. Litter and you will find yourself heavily fined. Litter again and you will be doubly fined and sent out to pick up trash at a local park or along the waterfront. You may also find your photograph in the *Straits Times* as you complete your assigned punishment to humiliate you into correct behavior and to warn others against meeting the same fate.

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[329] Sesser, p. 50.

The government does not take a strictly "stick" approach to socialization but liberally offers the "carrot" as well. The government, through the media and other outlets constantly runs organized campaigns to promote everything from common courtesy (saying please and thank you) to proper breeding patterns (have two, three if you can afford it). Some of these campaigns and the legislation that accompanies them has drawn merciless criticism, often in a mocking fashion, from the foreign press. Consider the following comment from the *Far East Economic Review* on a government campaign to clean up the island's public toilets including a law requiring flushing of toilets and urinals. Reporting on Singapore's campaign to "punish those of its population who have not been properly housetrained" the *Review* wrote,

> Those who ignore the new law do so on peril of a fine up to $1,000. And how is this law being enforced? A crack battalion of inspectors from Singapore's Ministry of Environment will be roving public toilets in pursuit of the aberrant non-flushers. This could prove embarrassing for the respectable patrons of such public facilities. How to distinguish the man from the ministry from the common-or-garden Peeping Tom?[330]

While the humor in such a situation is undeniable, the point is that in Singapore the rights of the many (those who are "properly housetrained") have precedence over the abuse of few who ignore their responsibility to treat public property with respect. It is in this mania with minutiae that the philosophy of enforced good citizenship becomes most clear. While such a situation is ripe for the rapier of the journalistic swordsmen, the majority of the people using such facilities are pleased that there are clean, sanitary public restrooms to use. As is evident from the *Review* article, what passes for domestic tranquillity in the view of the PAP qualifies as paternalism at best and unabashed repression and invasion of privacy at worst, in the view of many international observers. The same is true on the domestic front but with a schizophrenic quality that does not exist in foreign observers. Most Singaporeans resent being told by the government how to be good citizens while at the same time thoroughly agreeing that a nation of good citizens is a much better place to live. They do not care to be forced by legislative fiat to flush the John while being completely in favor of clean public restrooms. Extending this to the political realm, they resent the PAP and want more political pluralism, but trust only the PAP to run the country.[331]

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[330] Op. cit. in Sesser, p. 44.

The Awakening of Politics, Singapore in the 1980's.

Huxley argues that the most significant political phenomenon in Singapore during the 1980's was the resurgence of organized political opposition to the PAP's dominance. As he states, this should not have been a surprise to anyone. Given Singapore's rapid economic progress and diversification, lack of a rising political consciousness would have been much more surprising than its occurrence.[332]

Nineteen-Eighty marked the high water mark fro the PAP, with the party capturing 75% of the vote and sweeping its fourth consecutive general election. Jeyaretnam's breakthrough in the by-election of 1981 was the first hint of simmering discontent. If 1981 was the first hint, the general election of 1984 was the wake up call. In the latter stage of its transition to a new and younger generation of leaders, the PAP's fortunes swung perceptibly and the question of an aberration in the Anson by-election which returned Jeyaretnam was answered in the negative. The PAP garnered about 63% of the vote, a twelve point swing from the previous election and the opposition parties returned two MP's, including the ubiquitous Mr. Jeyaretnam. With his second win, the PAP had to admit what it had previously denied, a opposition party might actually have a role to play in Singapore's politics.[333]

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[331] *Regional Outlook: Southeast Asia* 1993-94, (Singapore: Institute for Southeast Asian Studies), p. 17.
[332] Huxley, "Singapore's Politics..."p. 283.

The shift in the political ground was not well received by Lee Kuan Yew. While he interpreted the results as a call for more pluralism on the part of an increasingly sophisticated electorate and a desire for some opposition to pressure the PAP, he also spewed some characteristic bile at the voters. He warned against "dangerous brinkmanship" and hinted at alterations of the one man one vote system. He argued that:

> it is necessary to try to put some safeguards into the way people use their votes to bargain, to coerce, to push, to jostle and get what they want without running the risk of losing the services of the Government, because one day, by mistake, they may lose the services of the Government.[334]

The trends that caused the shifting political ground, however, were more complex than a simple protest vote. The elections of 1984 marked the transition to power of the second generation of PAP leaders and the 215,000 new voters in 1984 were better educated, more vocal and seemed to be more concerned with political rather than "bread and butter" issues.[335] In the cabinet formed after the 1984 elections, only three of Singapore's "old guard" remained. On January 1, 1985 Goh Chok Tong, the new First Deputy Prime minister, announced that the "old guard" had relinquished day to day control of the government to the new generation of leaders, claiming high place as first among equals in the new inner circle and the heir apparent to Lee. This was significant as the 1984 elections also marked the debut of the Prime Minister's son Lee Hsien Loong, the thirty-two year old recently "retired" Brigadier General (Reserve) on the political scene. This led to the popular characterization of the new PAP government as "the father, son and the holy Goh."[336]With a new and troubling trend to face, the PAP moved to meet the opposition challenge.

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[333] N. Balakrishnan, "Warrior's Fate" Far *East Economic Review*, 21 January 1993, p. 21.
[334] The Straits Times, 24 December 1984, op. cit. in Bilveer Singh, *Wither PAP's*...p. 15.

The first challenge that the PAP, spearheaded by Lee Kuan Yew, undertook was the elimination of Jeyaretnam, the twice returned leader of the Workers Party. The manner in which Lee went about this is instructive both of the political methods, perhaps long unused, but not forgotten and the intolerance of the PAP for vocal opposition in Parliament.

Barely tolerated from 1981 when he first came to Parliament, Jeyaretnam's verbal duels with the Prime Minister brought a new excitement back to a chamber that had seen no real debate for sixteen years. When he questioned the government's policies, he faced accusations of abuse of Parliamentary privilege. A Sri Lankan, trained in law in Britain, Jeyaretnam was a forceful orator and very nearly a match for Lee's formidable presence.

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[335] Bilveer Singh, *Wither PAP's Dominance?*, p.15.
[336] Author's interview with Dr. David Winterford, Adjunct Professor of National Security Affairs, May 17, 1993.

Televised sessions from the legislature became high drama in Singapore. This service was begun early in 1985 in the wake of the 1984 elections, in response to what the PAP discerned was a call for a more open government.[337] If the government thought such a move would discredit its opposition, this proved a mistaken assumption The sparring matches between the two became very popular with viewers.[338]

In 1984 Jeyaretnam was accused of misuse of his party's funds. He was acquitted on three charges and convicted on the fourth and fined S$1,000. Under Singapore's law, a MP must be fined S$2,000 before being deprived of his seat. Seven months later, with the judge that had tried the case transferred to the Attorney General's office, the government appealed the case. In 1986 he was convicted, fined the requisite S$2,000, was disbarred and sentenced to a month in jail. Having exhausted the appeal system in Singapore for the criminal charge, Jeyaretnam appealed his disbarment (a civil matter) to the Privy Council in London, a Commonwealth vestige left over in the Constitution from the pre-independence days. In 1988 the Privy Council concluded Jeyaretnam and a co-defendant from the Workers Party, in their opinion:

> have suffered a grievous injustice...They have been fined, imprisoned, and publicly disgraced for offenses of which they were not guilty.

The council restored Jeyaretnam to the practice of law. The government responded by abolishing the right of appeal to the Privy Council. Not satisfied with this, Lee brought out his libel tool and in 1990 won huge damages against the beleaguered Workers Party leader, who was forced to sell his home. The lot of the vocal opposition in Singapore is not an easy one.

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[337] Ibid, p.16.
[338] Milne & Mauzy, p. 25.

The other opposition MP, the leader of the Social Democratic Party, Chaim See Tong, with perhaps a wisdom born of expediency, was far more muted in his criticism. With the only troublesome voice in the legislature crushed, the PAP, with the shock of recognition now evident, moved into its more characteristic long term planning mode to short circuit future opposition.

How many proposals for electoral tinkering were mooted behind closed party doors will never be known. An example of one that found the light of day but was not approved was minimum qualifications for candidates to the legislature. Although this was rejected, it may have been a trial balloon for later debate on the elected President issue, where it would be accepted. The solution that emerged was a system of Group Representation Constituencies (GRCs) for up to half of Singapore's constituencies. Under the scheme, large consolidated constituencies would be formed and parties wishing to contend would stand a "team" of candidates who would be elected as a unit. The PAP's rationale for this novel concept was that each "team" would have to include one member of a minority race, thereby ensuring continued representation of Singapore's Malays. With a fragmented opposition, centered around the personalities of party leaders, this made the opposition's job very difficult. Additionally, the redistricting involved in building the new "super" GRC constituencies would enable the Government to combine "troublesome" districts into a larger whole. PAP claims of the "political neutrality" of the plan carried little water with its critics. First mooted in early

1987, the proposal received significant attention in uncharacteristic open Parliamentary Select Committee hearings in 1988, further evidence of the successor generations move to more openness.[339]

The proposal passed the Parliament in May of 1988 and shortly thereafter passed additional legislation which called for MP's to run the housing estates by chairing town councils.[340] This grassroots move was intended to give the electorate a more direct stake in the quality of the MP's they returned to Parliament, as their competence would affect the quality of lives in the government housing estates where the vast majority of Singaporeans live. While never openly stated, the image of the PAP as a patronage dispensing machine was well fixed in the minds of the populace. The idea of choosing a PAP opponent was thus made far less attractive.

In the midst of these efforts to manipulate the electoral system, the government, now ostensibly in the hands of a new generation of leaders, dusted off the Internal Security Act and began a security sweep against a "Marxist conspiracy," whose unlikely membership included Catholic lay workers and the former Solicitor General of Singapore. The crackdown began in May and June of 1987. Twenty-two were detained. By the end of 1987, the citizens of Singapore had been treated to the videotaped confessions of all the conspirators who were then released, with the exception of the alleged ring leader, Vincent Cheng.

When, in April of 1988 nine of the released detainees recanted their confessions and alleged mistreatment during their detention, the eight who were in the country were rearrested as was a lawyer, Patrick Seong, who was unfortunate enough to have decided to represent one of their number. Seven of the now re-detained "conspirators" did an abrupt about face, "reconfessing" and being quickly released. The eighth, a female lawyer, Teo Soh Lung, refused and filed a writ of habeas corpus. This netted her two more years in detention. She and Vincent Cheng were released in 1990.

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[339] Milne & Mauzy, p. 70.
[340] Ibid, p. 71

This brings up the "Hendrickson affair" which resulted in the expulsion/recall of an American Embassy political officer, E. Mason Hendrickson. Francis Seow was the Solicitor General of Singapore from 1969 - 1972 and as such very familiar with the PAP higher-ups, including Lee. Since 1985 Seow had been president of the Law Society, the equivalent of a national bar association. Under Seow, the Law Society began to take a more activist role in politics, commenting on proposed legislation. This was a brief foray that the government proscribed in 1986.

Seow had announced his intention to stand for Parliament in the 1988 elections. In May 1988 he appeared in court to represent Teo Soh Lung and the detained lawyer, Patrick Seong. Hours later, Seow was arrested and charged with being in "close contact with Hendrickson." The Singapore government requested that Hendrickson be recalled on May 6, and the US Department of State acquiesced, firmly maintaining that Hendrickson had done nothing contrary to accepted diplomatic practice and deploring the fact that the Government of Singapore did not attempt to solve the dispute "privately, in a manner befitting relations between friendly countries." On May 10, the Department of State requested that a Singaporean Diplomat of similar rank be withdrawn.[341]

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[341] Recent developments in Singapore and Malaysia...., p.151.

With elections scheduled for September, Seow was released in time to contest the election, but with insufficient time to organize any coordinate opposition movement. With the new GRC scheme in place (the PAP as indicated, did break up troublesome constituencies by redistricting them within the plan) the PAP returned 80 of 81 MP's. The Social Democratic Party's Chaim See Tong retained his seat and took his place as the sole opposition MP.

Francis Seow was defeated, but did well enough to qualify for a seat as a Non Constituency Minister of Parliament (NCMP) another of the government's novel approaches to quench part of the electorate's thirst for a political opposition while maintaining its lock on effective power. The NCMP Act of 1984, provided for up to three non-voting MPs to be appointed by the government, the candidates to be those who had received the highest "losing percentage" in general elections.[342] This unusual provision was to provide the PAP with "sparring partners" and rebut the "one party state" allegations of the international community. As Huxley notes, the prospect of Francis Seow in Parliament was apparently too much to contemplate for the PAP leadership. The opening of Parliament was delayed for five months (allegedly for building repairs).[343] While Seow was out of the country in the United States, he was convicted, *in absentia*, of Income Tax evasion, fined a sufficient amount to disqualify him from his seat. Seow is now effectively exiled from Singapore. Seow's son, Ashleigh, a Singapore resident and secretary of one of Singapore's town councils, alleges that his father's fiancee, a Malaysian businesswoman residing in Singapore, was given, without reason, two weeks to leave the country.[344]

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[342] Milne & Mauzy, p. 69.
[343] Sesser, p. 58.

As the decade of the eighties came to a close, the government took further steps to prevent the resurgence of communal tensions and by implication the possibility of political interest groups along racial lines, the longtime PAP nightmare. The Housing Development board announced in March of 1989 that strict ethnic quotas for Singapore's government controlled flats would be extended at both the neighborhood and individual apartment-block level. The government portrayed the initiative as a continuing part of its nation building, to ensure that Singapore did not develop into a city of ethnic enclaves. Critics noted that the plan would disproportionately impact Malays politically and as a group, the Chinese, financially. The plan limited the resale of HDB units to situations which would not worsen the growing concentration of minorities and applied to the housing lottery. With the "clustering " problem confined to Malays, Chinese who lived in an area of Malay concentration would be prohibited from selling to a Malay, thereby worsening the proportional mix. The flats, which were intentionally ethnically mixed when constructed, began to show evidence of clustering after the initial time of ownership restriction on resale began to expire. The quotas for problem areas of ethnic clustering (35 of the total of 125 HDB neighborhoods) seemed to observers to encompass a number of predominantly Malay areas that had shown strong support for opposition candidate in the 1988 elections. The Eunos district, with a large concentration of Malays where Francis Seow polled 49.1% of the vote was predictably among them.[345]

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[344] Ibid, p. 60.

Another controversy that reared its head prior to Lee's departure from the Prime Minister's office was a program by the government to battle against the evils of creeping "westernism." Lee Hsien Loong was given chairmanship of a government committee to search for Singapore's core values. These core values were to form the basis for a national ideology. Much of the rhetoric in the debate on core values, which seemed to lean toward a Confucian perspective coupled with the government push to promote Mandarin as the only acceptable Chinese vernacular, aroused sensitivities among both the Indians and the Malays, who were apprehensive about this new leaning toward Chinese cultural values. The issue became whether Confucian values would be extended into the political sphere. The overtones of Confucian despotism, with its implied élitism of mandarins, superior in intellect and directing the people looked insidious to a populace which already had to stomach enough elitism and paternalism. To many, the Confucian rhetoric was simply another tool to legitimize PAP rule. Malay PAP MPs expressed their concern. Abdullah Tarmugi summed up Malay concerns:

> It appeared that we [Malays] did nothing right. It seemed that we were singled out for regular unmeritorious mention....some members of my own community were on the verge of disowning my Malay parliamentary colleagues and I for not openly championing their interests or challenging strongly enough the perceived indignities aimed at their community.[346]

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[345] N. Balakrishan, "The Politics of Housing," *The Far East Economic Review*, March 9, 1989, p. 24.

[346] Lynn, Pan, "Playing the Identity Card," The *Far East Economic Review, February* 9, 1989,p. 37.

Opposition MP, Chaim See Teong highlighted the dangers, both domestically and regionally of an emphasis on Confucianism in Singapore's multi-racial society:

> ....when we introduce Confucianism, we must inevitably refer to China. In this way, we will be reviving our racial links with China. It is dangerous and will have harmful effects on the promotion of racial harmony. Any promotion of Chinese chauvinism must be dangerous in our multi-racial society....we are in an area where the Malay race is dominant and we cannot be seen to be advocating values which will make us more and more distinct and different from the rest of the region.[347]

Even many Chinese were dissatisfied with the "Speak Mandarin" campaign. Many of their children were having difficulty in keeping up with the study of both English and Mandarin at school, both languages that few of them spoke at home. This was cited as a reason for the emigration of Singaporean Chinese to Australia, where with only one language to handle, the educational opportunities of their children were less hindered[348] The PAP had to do some fancy dancing to convince all of its populace that the debate was open to all cultural viewpoints and the goal was to help Singaporeans maintain their Asian bearings as they moved toward the twenty-first century.[349]

The search for a national ideology was one of many awkwardly handled issues as the eighties drew to a close. The security sweeps for the 'Marxist conspirators', a reversal of the long-standing two child policy and the ham handed treatment of encouraging "breeding " among Singapore's professional women while offering sterilization incentives to the poor and the changing ethnic housing mix are others. Despite, and sometimes because of these battles, the upcoming leader and First Deputy Prime Minister, Goh Chok Tong acquired a reputation for toughness beneath an exterior that was much less abrasive than Lee Kuan Yew's. The other tough battles Goh led through the eighties included his handling of the foreign press. The Newspaper and Printing Act Amendment of 1986 codified restrictions on the foreign press as part of the running battle with foreign publications over their alleged meddling in Singapore's internal affairs. In a David and Goliath battle with the *Asian Wall Street Journal* Goh acquitted himself well. He earned the respect of his colleagues in the PAP for deft political handling of the GRC and Town Council issue. Other unpopular measures such as limits on foreign workers, an unpopular Vehicle Quota Scheme, and a mixing program to try to improve the educational lot of young Malays. With an important elected President measure pending, and a reputation as being a key player in the turnaround of the economy (along with B.G. Lee) from the shocking recession of 1985,[350] Goh was ready to take the reins of power. While he would live in the giant shadow of Lee Kuan Yew for some time to come and have to deal with the pressure of the legendary Prime Minister's son, Lee Hsien Loong, waiting in the wings, that Goh made it to the pinnacle in Singapore is a remarkable feat.

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[347] Ibid, p. 37.

[348] N. Balakrishan, "Speak Mandarin," *The Far East Economic Review, February* 9, 1989, p. 41.

[349] Lynn, Pan, "Playing the Identity Card," The *Far East Economic Review, February* 9, 1989, pp. 30-37.

On November 26, 1990, Lee Kuan Yew tendered his resignation as Prime Minister of Singapore and advised the President to call upon Mr. Goh Chok Tong to form the next government. After 31 years encompassing perhaps the most remarkable political career of the twentieth century, Lee Kuan Yew, the world's longest serving elected head of government, with little ceremony, turned the reins of power to a new generation of Singaporeans.

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[350] Bilveer Singh, "Wither PAP's...." p. 21.

Singapore has a national identity that acquired meaning only because of his remarkable tenacity. Lee built a government whose hallmarks are leadership by technically competent, well educated elite, absolute incorruptibility, and non-ideological pragmatism in policy decisions. The Singapore model is government of the elite, by the elite *for the people*. Lee Boon Hiok has characterized the prevailing paradigm of the PAP government as being dominated by two themes: the political ideology of survival and the concept of achievement.[351] Lee has built a selection process that has produced a small group of dedicated, competent elites devoted to the survival and well being of their tiny island nation. While his rule, his opinions and his methods were certainly controversial, few would argue his dedication to Singapore and her people. Fewer still, despite the excesses, would ever purport that Singapore might have been better off in his absence. Stan Sesser, reporter at large for *The New Yorker*, quotes longtime Asia correspondent Robert Elegant on the career of Lee Kuan Yew:

> Among those who led fights for independence only Lee Kuan Yew afterward ruled wisely....Others failed the transition from revolutionary to ruler: Mao Tse-tung in China, Pandit Jwawharlal Nehru in India, Ho Chi Minh in Vietnam, and Sukarno in Indonesia. Those men left disorder - economic, political, and administrative - compounded by corruption.[352]

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[351] Lee Boon Hiok, "Leadership and Security in Singapore: The Prevailing Paradigm," in *Leadership and Security in Southeast Asia*, Mohammed Ayoob & Chai-Anan Samudavanija (eds.) (Singapore: Institute of Southeast Asian Studies, 1989)p. 174.
[352] Op. cit. in Sesser, p. 44.

Of all the descriptions that Lee Kuan Yew might want applied to his 31 years as Prime Minister, Elegant's statement that Lee Kuan Yew ruled wisely is probably the one he would choose for his own.

VI. Singapore On the Eve of the Twenty-first Century

A. Introduction

The story of the building of a nation where none existed before in Singapore is certainly a remarkable one. To the visitor who arrives in Singapore today it must be difficult to imagine exactly how far this the city-state has come since the difficult birth pangs of self-rule and independence. From a "mosquito infested swamp dotted with pig and chicken farms, fishing villages, and squatter colonies of tin-roofed shacks" Singapore has transformed itself into perhaps the most livable city in Asia.[353]

There are many who wax nostalgic for earlier times, with Somerset Maugham sipping gin on the verandah at the Raffles Hotel. Recently Simon Winchester, writing for the *Sunday Times* (London), commented that in Singapore "tourists found nothing to do, only the shops and the skyscrapers, no sense of the mysterious east. A sterile place, utopia gone wrong."[354] The truth of what Singapore once was, the "mysterious east," is not so romantic. In 1960, one year after the PAP took the reins of government, the travel magazine *Asia Scene* wrote, concerning the occupants of the "quaint" two story shophouses that now line fewer and fewer of Singapore's streets, "The Chinese, who constitute the main current of the city, live in utter filth and poverty ... Their poverty is phenomenal. One must see with his own eyes to believe it."[355] On sterility, a town planner who was an adviser to Singapore in its early days of self-government, commented, upon returning after many years absence, that "if you've seen some of the other places, other cities, you can stand a lot of sterility."[356] Many who have been to Bangkok, Jakarta, or for that matter London, New York or Los Angeles recently, would probably endorse similar sentiments.

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[353] Sesser, p. 44.
[354] Simon Winchester, *The Sunday Times* (London), December 8. 1985. Op. Cit. in Milne & Mauzy, p. 4.
[355] Op. Cit. in Sesser. p.44.

To have transformed this once wretched outpost of colonial empire into the country with a per capita income in Asia third behind only mighty Japan and oil rich Brunei, with living conditions that even many Japanese would envy, is an astounding accomplishment. That Singapore has built a viable nation on an island of just over 600 square kilometers with such a dearth of resources that even water must be imported, borders on the supernatural. Had bookmakers placed odds on Singapore's survival and prosperity in 1965, one could have probably prospered equally as much as the Republic has by betting, at extremely long odds, on Singapore's success.

The results that Singapore has achieved speak for themselves and these are rarely the subject of debate. The methods employed, extending the reach of the government into the details of everyday life in a manner critics allege is reminiscent of Aldous Huxley's *Brave New World*, [357] has certainly been the subject of much debate and tons of newsprint. In examining, in retrospect, what has been accomplished in Singapore since 1819 and even more remarkably in the short twenty eight years, 1965 - 1993, one is struck by the notion that it is sheer hypocrisy to laud the accomplishments and condemn the methods. In many respects, the methods are the accomplishments. The dichotomy of Singapore is a conundrum only to those who are deeply rooted in the belief that only through the application of liberal democratic principles can a nation achieve prosperity and an acceptable measure of social justice. It is important to note that there is a dual responsibility for such judgments with regard to Singapore. Those outside Singapore must bear part of the blame for forming opinions without a sufficient knowledge and from a viewpoint which lacks sufficient cultural and historical perspective. Those in Singapore are culpable for often encouraging judgment of their nation by the same Western standards which they often reject out of hand.

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[356] *Straits Times*, July, 29, 1986. Op. Cit. in Milne and Mauzy, p. 5.

[357] Shuhud Saaid, "The Singapore Armed Forces, Pt. I..." p. 4.

In a very real sense Singapore has been created by recreating the citizens which populate it. The rugged society has come to fruition in Singapore. A society of immigrants has been forged into a nation by a group a visionary politicians who surmounted every obstacle standing in their path. They have created a nation of modern secular values existing as a veneer atop the deep traditions that many of its citizens still cling to as cultural ballast in an increasingly demanding, fast-paced environment.

This does not imply a nation of self indulgent consumerists, each seeking his own enrichment at the expense of others. In a real sense the government of Singapore, under the leadership of Lee Kuan Yew, has attempted to create a "new man". A Singaporean is not a Chinese, not a Malay, not an Indian. A Singaporean is a man who has adopted an entirely new set of values, while retaining the best of what his cultural legacy has given him. To oversimplify, a Singaporean is a model of good citizenship and Singapore the paradise of the middle class. Each citizen is responsible for being a productive member of society and has the right to be rewarded in proportion to his productivity and the contribution he makes. Each citizen is responsible for behaving in a civilized manner, which involves not taking part in any activity or behavior that might adversely affect the well being of his nation *or himself.*

What is important to understand is that in Singapore good citizenship is based on responsibilities from which flow certain rights. The western model, conversely, places rights in the primary position. These rights then, produce certain responsibilities. The western model defines carefully the rights of the citizens. The Singaporean model carefully defines the responsibilities of its citizens. The western model assiduously protects rights. The Singapore model, just as diligently, enforces responsibilities. Neither system accomplishes it goals perfectly. If liberal democracies err, it is normally in the direction of protecting the rights of those who many believe have invalidated them by trampling on the rights of others. The authoritarian system in Singapore seems to err by demanding that all adopt, with almost equal fervor, its definition of individual and social responsibility. Non-compliants are not simply anti-social abberants, they are dangerous and possibly subversive elements to be either reeducated or ruined. If the victims of western excesses are the wasted lives of those enveloped in drug addiction, criminality and permanent underclass status, the victims of the Singaporean authoritarian system are often the well intentioned, sincere voices who simply believe that a more open society would not inhibit, but rather enhance, the nation in which they live. In a strictly moralistic sense, all of these victims are equally innocent and all equally guilty. If the excess of western democracy is its neglect, the excess of Singapore is its actions.

Such a view makes it easier to understand the nature of criticism that sometimes erupts between the two. In this regard, it is normally easier to criticize tangible acts than to attack seemingly benign neglect. Western criticism of Singapore normally has to do with tangible actions, the suppression of dissent, the manipulation of the press and the harsh penalties meted out to those who violate the government's narrowly defined norms. Singaporean criticism of the west, often voiced by the former Prime Minister, has been directed at the results of neglect, the racial divisions in the United States, the hollowing out of the economy of his once beloved England by the excesses of the trade unionism and the perceived decline of western moral standards as abetted by an unrestrained media.

In some respects, one can distinguish a slow movement toward an as yet unknown center, which exists somewhere in the gulf between these two visions of how societies should be organized. In the United States, there are increasing calls for the restraint of traditional freedoms by linking them more closely to the responsibilities that they infer. The recent passage of the Brady bill to restrict, however minutely, access to firearms is an indication of this trend. Recent initiatives to provide universal health care, to eliminate "free riders" on the present system and enforce the responsibility of both employers and employees is another. In Singapore, government efforts, equally small and clumsy at times, to provide more access to the political system have been taking place to attempt to satisfy the demands of an increasingly sophisticated electorate. These efforts are occurring simultaneously as Singapore continues to move further up the "value added" ladder economically by expanding its overseas economy. The underpinning of all of the programs of Singapore's rulers is continuing economic prosperity and progress.

A new generation of politicians is at the helm, attempting to maintain on the PAP tradition of "performance legitimacy" and move the nation to new heights. The challenges they face are, in some respects, as daunting as those faced by their predecessors. Success has its own contradictions. First, there are the expectations that the upward momentum will persist. Will the sacrifices demanded by the government in terms of personal freedoms, which are many, be exceeded by the benefits these generate? Second, there is the fact that by obtaining the skills required and making the advances that they have, Singaporeans have become increasingly well-educated, prosperous and demanding of more of a voice in the policies which so much affect their lives. If, in its early days, Singapore was a young nation, willing to listen to the paternalistic voice of government, its more mature body politic seems to be less willing, as the new century approaches, to continue with a *status quo* relationship with its government. Stan Sesser remarked on this phenomenon following a recent interview with Lee Kuan Yew:

> ....his words were delivered with such passion and such determination that they also began to resemble something else: to me they sounded for all the world like a father talking about protecting the chastity of his daughter. The only problem, of course, in this instance, is that the daughter has by now turned thirty-two.[358]

B. Politics

It is in the political arena where Singapore in the 1990's faces its most significant challenges. The election of 1991, the first called by the Goh Chok Tong government, provides a fascinating entrée to the subject of the Singapore political scene, revealing both the political failings of the PAP and the increasing sophistication and strength of the opposition. These elections, and the response of the PAP to their result, lead one to believe that as the new century approaches, increasing political pluralism and the birth of a genuine opposition to the PAP, if not a threat to PAP leadership, may be in the first stages of coalescing.

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[358] Sesser, p. 60.

The Political Background

Goh Chok Tong, Singapore's second Prime Minister, was born in Singapore in 1941. Educated at Raffles Institution and the University of Singapore, he traveled abroad and obtained a Master's Degree in development economics from Williams College in the United States. Goh worked in the private sector for a number of years upon returning to Singapore, eventually rising to be Managing Director of Neptune Orient Lines. Identified early as a rising star, Goh was elected to the Parliament in the 1976 general elections and by 1977 was given the very significant Finance portfolio in the cabinet. A longtime PAP member, his party affiliation predates his election to the legislature by a number of years. Goh went on to hold portfolios in Health, Trade and Industry and, eventually, the critical Defence Portfolio, which he continued to hold after being named First Deputy Prime Minister in 1984.[359]

Goh Chok Tong's style is far different from that of his predecessor. Self-effacing and mild mannered, Goh seemed to fit the perceived desires of the electorate for less paternalistic government. Goh's rise to prominence in the PAP and the government were viewed by most Singaporeans as heralding a new era of more relaxed and liberal government.[360] Goh had characterized his governmental style as more consultative and participative than that of his predecessor.[361]

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[359] Minchin, p. 197.

Given this stylistic rhetoric, however, there were factors that constrained Goh's freedom of action and placed pressure upon him to seek a fresh mandate for his rule. First and foremost, was the gigantic presence of Lee Kuan Yew. Lee remained in the new Prime Minister's cabinet as the Senior Minister and, more importantly, initially retained his position as secretary-general of the PAP. This meant that Goh was one of the few, if not the only, heads of a parliamentary government to not also be head of his party. Second, was the presence of Lee the younger, Lee Hsien Loong, whose meteoric rise to political prominence following his "retirement" from the armed forces, surprised very few.

While Lee Hsien Loong. cannot help but benefit enormously from the political capital that is his father's legacy (and suffer by this same association in the eyes of Lee's detractors), he is by all accounts a most remarkable individual in his own right. A graduate of his father's Alma Mater, Cambridge (with a double first class and a star of distinction[362]), with a graduate degree from Harvard, Lee Hsien Loong is a force to be reckoned with. Few who have met him come away from such an experience with anything less than admiration for his considerable abilities and intellect. While recent health problems have given some pause concerning the prospects for B.G. Lee (Brigadier General Reserve, a title he retains from his military service and by which he is widely known to distinguish him from his father), he still exerts pressure on Goh's leadership, if only by his presence in government. Goh must constantly battle the notion that he is merely a "seat warmer" for Lee Hsien Loong. Goh commented on this perception in 1990:

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[360] Tim Huxley, "Singapore's Politics....,"p. 285.
[361] Bilveer Singh, *Whither PAP's Dominance...*, p. 20.
[362] Milne & Mauzy, p. 117.

> I am not a 'seat warmer'. Being a 'seat warmer' means there is an arrangement by all concerned that you come into this job, you stay for a certain period until somebody is ready to take over. There is no such arrangement.[363]

It is essential to recognize that the succession process was by no means a "coronation" by Lee Kuan Yew of his chosen replacement. The choice of a new prime minister was left to the Central Executive Committee (CEC). While Lee Kuan Yew clearly is the most influential member of that body, at the time the decision was made, he was the only remaining member of the "old guard" founders. In a 1988 speech, Lee had stated that his short list for possible candidates was topped by Tony Tan, another of the bright stars of the younger PAP generation, followed by Mr. Goh. During the time from the 1984 elections up to the elections of 1988, Lee publicly criticized Goh's political style. While this difference in styles might have reasonably been expected to raise questions between the two, the public nature of Lee's comments raised some doubts concerning of the unity of the party. When Goh rose to the top of the pack to become Prime Minister, it was clear that the choice had been left to the CEC by Lee. Goh emerged as the consensus choice of that body, not the personal choice of Lee Kuan Yew.[364] While Singapore's government is clearly biased toward a group of people (the cabinet *cum* CEC) who are absolutely subordinate to the Prime Minister, it is to the *office* and not the *person* of the Prime Minister that subordination is subject. As difficult as it has been, given the circumstances, to avoid a "cult of personality" with regard to Lee Kuan Yew, the government and the party have assiduously attempted to avoid such a result. This is due in no small part to the restraint of the former Prime Minister himself.

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[363] Alan Chong, *Singapore's New Prime Minister, Goh Chock Tong,* (Kuala Lumpur, Pelanduk Publications, 1991) p. 69.

[364] Milne & Mauzy,` p. 116.

The PAP has been extraordinarly successful in recruiting the "best and the brightest" Singaporeans for government service. The meritocracy in Singapore is alive and thriving. There are two important elements to the meritocracy in Singapore, first it is rewarding to become a part of it and the corollary to this, corruption is not tolerated to even the smallest degree. Singapore's ministers are arguably the best paid in the world, receiving a salary of S$31,000 per month and the Prime Minister drawing a monthly salary of S$49,000 per month. While the remuneration is generous, it is the *only* fee for service that a government employee receives. As the former Prime Minister liked to point out, he was nominally the highest paid head of state in Southeast Asia but actually the lowest paid. While prosperity may be the central ethic of the PAP leadership, money is not the oil that greases the gears of government.

The completely non-corrupt ethic, *is central* to the continuing success of the PAP and more broadly Singapore itself. This must be fully appreciated to have any understanding of how the authoritarian rule of the PAP differs from that of its Asian counterparts (and for that matter the politics of money which increasingly dominates the west). A few examples are illustrative of the extreme attention to detail that is involved in keeping the system intact. A civil servant who receives a gift in the mail must send it to a government agency, which then determines its value and offers to sell it to the recipient at fair market value. If the government employee does not wish to purchase the item, it is sold at auction, with the proceeds going to the government treasury. A postman in Singapore was once arrested for accepting a gift of one Singapore dollar. The last government official accused of accepting a bribe in 1986 to spare private land from government acquisition committed suicide.[365] An American, Carlton J. Parker, managing director of General Automation of Singapore, a subsidiary of an American computer firm had this to say concerning competition for government contracts:

> You explain how your stuff works, what the intelligence is behind it, and you'll win the contract. If this could happen in places like Indonesia and the Philippines, who knows what their economies would be like? Here I never have to offer a bribe; in the Philippines nothing would happen without one. If you ask a question about specifications, it has to be in writing, and a copy goes to everyone bidding, so that we're all on an equal footing. My general impression is that these things go more smoothly here than in the United States.[366]

B.G. Lee has stated that the system works because of three factors: 1) there are no pressure groups capable of promoting the interests of its members at the expense of the public; 2) there are no ideological preconceptions and; 3) when emotions clash with logic and practicality, emotions usually give way.[367] This approach is made possible by the system the PAP has developed of building a small cadre of extremely competent leaders who are incorruptible and absolutely dedicated to the well-being of the Republic.

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[365] Sesser, p. 40.
[366] Ibid, pp. 52-53.
[367] Minchin, 235.

These men are beholden to no one other than their own well formed conscience and that of the party. B. G. Lee again on this point:

> The paradox of Singapore's success is that its policies are formulated almost cold-bloodedly, yet these policies work only because of emotions, the strong ties between the leaders and the led. This is a formula which we must try to duplicate, in both parts in the next generation.[368]

This has proven to be a two edged sword, however. Those who rise to prominence in the PAP and then in government tend to do so based on technical rather than political ability. Cold-blooded policy makers are having an increasingly difficult time maintaining the emotional ties to the led. A good policy maker is not necessarily a good politician. The "technocrats" of the PAP normally have impressive educational or business qualifications. They have earned their stripes by the time they rise far enough in the party to enter the "inner sanctum" of the CEC and the cabinet through an exhaustive screening process and carefully monitored performance. With the one man one vote system still in place in Singapore, however, the best technocrat, be he economist, financier, or public administrator, is often, by virtue of his training, experience and expertise, distanced from those who cast their votes to elect him or retain him in office by an enormous intellectual gulf. The formation of the town councils mentioned in the previous section was not only designed to make the public wary of electing incompetent politicians but to force PAP MPs to reconnect with their grassroots constituencies. Technical ability does not always equate to political popularity.

The new government under Goh concentrated on domestic priorities and indicated that Senior Minister Lee would continue to retain large responsibilities with regard to Singapore's international relations.[369] The domestic bias in the new government's policy was led by the release of a White Paper on Shared Values designed to enable the nation to keep its Asian bearings as the country progressed to the twenty-first century. The five values agreed upon were: Nation before community, and society above self; Family as the basic unit of society; Community-support and respect for the individual; Consensus not conflict and ; Racial and religious harmony.[370]

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[368] Op. Cit. in Minchin, 235.

The Goh government also passed a measure for an elected President who would possess far more power than the largely ceremonial President had in Singapore in the past. The President will have the power to safeguard Singapore's enormous reserves of foreign exchange (through veto power over their use) and have a right of veto over senior civil service, judicial and military appointments.[371] The first elections for this powerful new position were to be held on the expiration of President Wee Kim Wee's term of office in 1993. Despite protestations to the contrary by Lee Kuan Yew, the office was seen by many as being specifically created for the former Prime Minister, to give him final right of refusal over contentious policies that a future government might try to enact. Stringent qualification standards included in the legislation for the elected President were designed to limit candidacy to a select group who were either PAP members or would be strongly supportive of the traditional PAP party line. There is little doubt that the legislation was implemented to provide a "fail safe" mechanism to ensure PAP control over the vagaries of the electoral system. The President would act as the last line of defense should the rising tide of opposition strength result in a "freak" election, with the opposition gaining strength, or at some time in future, control of the government.

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[369] *The Straits Times*, January 14, 1991, Op Cit. in Bilveer Singh, *Wither PAP's Dominance*...p. 22.

[370] Bilveer Singh, *Whither PAP's Dominance*...p. 24.

[371] Huxley, "Singapore's Politics....," p. 285.

Early in 1991 the Goh government released a glossy publication, entitled *The Next Lap*, which outlined the vision of the new PAP leadership.[372] The vision outlined in the publication highlighted the necessity of maintaining the Republic's record of robust economic growth by becoming the "hub city" of the region. Bringing prosperity to the region through the Republic would bring prosperity to Singapore. It emphasized international linkages as the core of Singapore's prosperity. It also emphasized the new government's intention to pay closer attention to the amenities of an increasingly prosperous and sophisticated society. References to a more interesting and gracious society abound. The publication outlined a number of initiatives to make Singapore a "cultured" and "caring" as well as a "rugged" society.[373]

The new government did introduce some limited relaxation of previous policies, allowing some R-rated films to be screened in Singapore and relaxing editorial constraints on the *Straits Times*. An interview with Singapore's longest serving political prisoner, Chia Thye Poh, was even permitted in the paper. Goh continued the policy he had instituted prior to assuming the Prime Ministership of holding public hearings on issues of import to make recommendations to the government.[374] Huxley maintains that Goh and newly appointed Minister of Information and Arts, George Yeo, seemed to understand the necessity of co-opting the political energies of the rapidly growing English-educated middle class.[375] Huxley noted, however that the changes instituted were those of style and not of substance. He remarks on this phenomenon:

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[372] The Government of Singapore, *Singapore: The Next Lap*, (Singapore: Times Editions Pte Ltd, 1991)

[373] Ibid, See sections entitled "Singapore Our Home," pp. 77 - 99 ; "Arts and Sports," pp. 101 -115, and;"Many helping Hands," pp. 117 -129.

[374] Huxley, "Singapore's Politics....," p. 286.

> It was abundantly clear that while Goh accepted the need for a degree of *glasnost,* he was not willing to sponsor a more fundamental *perestroika.* The PAP itself remained an élitist, secretive patronage-dispensing machine, and showed no sign of transforming itself into a more broadly-based, democratic party. There was no attempt to separate the interests and powers of the Party, the Government, and the State. There was no indication that the judiciary or the trade union movement would be allowed a degree of independence. The press remained under indirect, but effective, government control. The draconian Internal Security Act remained in place.[376]

The Elections of 1991

On August 14, 1991, just nine months after taking the helm in Singapore the new Prime Minister, Goh Chok Tong, dissolved the Parliament, and called for general elections (GE). He did so using the time honored PAP strategy of giving the minimum notice for elections, setting August 21 as Nomination Day and August 31 as election day.[377] While the minimum notice was given there were many signals that such an event was in the offing. The publication of the new government's manifesto, *The Next Lap* was a powerful indication that Goh would soon seek a mandate to put his own imprint on Singapore and its institutions. Still, the fact that general elections were not required under the constitution for another two years led many to question the motives for early elections.

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[375] Ibid, 286.

[376] Ibid, p. 287.

[377] Bilveer Singh, *Whither PAP's Dominance*...p. 31.

Opinion varies somewhat, but a number of factors point to both the wisdom and strategy behind the decision. The foremost reason for new elections was for Goh to legitimize his leadership of Singapore. Furthermore, the PAP also anticipated a slowdown in economic growth in 1992-93. With good economic performance recently, the government had announced a series of popular initiatives in the areas of health, education and housing and had paid a bonus to Singapore's civil servants as the economy had exceeded previous expectations. Also, the calling of early elections was seen as a way to catch the opposition flat-footed and give them minimum organizational time to mount a challenge.[378]

The two major opposition parties, the Workers Party (WP) under J. B. Jeyaretnam and the Singapore Democratic Party (SDP) under Chaim See Tong were the only two of the 21 registered political parties which posed any challenge to the PAP electoral dominance. One of the other reasons for the early elections, the opposition claimed, was to preclude Mr. Jeyaretnam from mounting a challenge. Due to his earlier conviction on a charge of falsifying party accounts, he was banned from standing for Parliament until November of 1991. Goh answered these allegations by promising to hold by-elections (BE) after the GE to allow Mr. Jeyaretnam to contest for a seat in the legislature.

In a brilliant political strategy, the opposition parties got together and agreed to concede to the PAP control of the government on nomination day by putting up candidates for only 40 of the 81 seats in the legislature. By adopting this "By-election" strategy, the opposition removed the issue of control of the government. The PAP had previously used this as an electoral scare tactic, outlining all manner of disaster that might be expected should a freak election result in an opposition victory. The battle lines of the most interesting election in Singapore's political history became the opposition's call for a meaningful voice to check unbridled PAP control of the legislature and Goh's increasingly personal call for a mandate to confirm his leadership and legitimize his more consultative style of governing.

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[378] Ibid, pp. 33-34.

The ten day campaign was marked by contrasting styles of reaching the electorate. The PAP relied on use of the media, which it largely controlled and Clinton style town meetings, which the PAP called dialogue sessions. The opposition relied on more traditional mass rallies. The PAP's platform, based upon *The Next Lap*, featured seven main action areas: 1) the economy; 2) Education; 3) Healthcare; 4) Town Councils -- Authority and Responsibility; 5) Housing and Development Board (HDB) upgrading; 6) Politics - Participation and Consultation and: 7) The PAP's Helping Hand.[379]

The opposition parties attacked the PAP's élitist style of government and highlighted the growing gap between Singapore's rich and poor. The PAP's policies were characterized as contributing to this growing gap and favoring the wealthy at the expense of the less advantaged. The attack on the government was conducted in a manner which put the government on the defensive, offering criticism of the entrenched leadership of the PAP without offering many alternative solutions.

By adopting the strategy of yielding control of the government to the PAP on nomination day, this strategy of criticism proved viable and effective. The Worker's Party platform was more strident in pointing out the failures of the PAP in the area of social equity and justice. The more moderate Singapore Democratic Party stressed the need for a responsible opposition in Parliament to begin progress to a real two party system in Singapore. The campaign was an exciting and contentious one. Late in the campaign, as the challenge to PAP leadership in the Eunos GRC (Expanded to a four seat constituency) became acute, Goh accused the WP of playing communal politics and cautioned the electorate not to allow this trend to return to Singapore's political scene. The PAP used images from the early days of Singapore, publishing pictures and accounts of the race riots the plagued the island in 1951 and 1964. Goh went so far as to brandish the Internal Security Act as a possible "solution" to the problem of "communalism" should one of the WP candidates (the Malay Jufrie Mahmood) "use even more extremist terms, where you really get people to agitate, to become violent, then you are crossing the line."[380]

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[379] Ibid, pp. 65-67.

The election results gave further evidence of the decline in the PAP's once ironclad hold on power. Its share of valid votes cast declined from the 63.2% in 1988 to 61% in 1991. The SDP won three seats in Parliament and the WP one. The PAP narrowly survived the challenge in the Eunos GRC, with 52.4% of the valid votes cast. Although this percentage was actually an increase over the PAP's previous performance in the Eunos GRC, the opposition vote this time was not split as the united front tactics had resulted in the WP and SDP not challenging in the same electoral districts.[381]

While in most democratic societies the performance of the PAP would be hailed as a resounding victory, in the context of Singapore's politics of single party dominance, the results were disappointing. Even more troubling was the reaction of Mr. Goh, who in a late night press conference was nearly despondent over the result. While he later softened his assessment of the meaning of the election, his statement that "life cannot go on as before" was widely interpreted as indicating that he believed that the electorate had rejected his new style of leadership.[382]

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[380] Op. Cit. in Bilveer Singh, *Whither PAP's Dominance*...p. 81.
[381] Ibid. p. 88.

This interpretation of the election results in indicative of a certain lack of political acumen on the part of Mr. Goh, who had risen to power in the PAP during its complete dominance of the political ground. The popularity of the PAP had begun its decline in the 1984 elections and many observers contend that had it not been for the change of leadership and a softening of the PAP's paternalism under Goh that the Party would have fared much worse.[383]

Goh's seeming interpretation that the election indicated a desire for less and not more reform may miss the mark completely. The post election rhetoric of the government "withholding" service from its opponents seems particularly misplaced. In the *Straits Times* on September 21 Goh stated he would adopt a two track approach to the electorate:

> ...Broadly, to my supporters, be very friendly, listen to their input and do things which will benefit them. Elsewhere, which have given a clear signal that my style is not wanted, if I listen, if I hear feedback, I can be a little deaf.[384]

After the post-election reactions died down, the PAP went to work to determine the reasons for its electoral slip. This effort does demonstrate the manner in which democracy is very much at work in the republic, despite the dominance of the PAP in government. A Post-General Election Debrief Committee, significantly under the chairmanship of Lee Hsien Loong, analyzed the results of the election to determine the corrective actions necessary to stem the trend. While not released to the general public, statements by PAP leaders indicate the nature of their assessment. Ong Teng Cheong, the Deputy Prime Minister of the new government, presented his view of those who voted against the PAP:

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[382] Huxley, "Singapore's Politics....," p. 289.

[383] Ibid, p. 289, see also Bilveer Singh, *Whither PAP's Dominance*...p.92 and N. Balakrishnan, *FEER*, August 29, 1991, p. 21.

[384] *The Straits Times*, September 1-2 , 1991, Op. Cit. In Bilveer Singh, *Whither PAP's Dominance..*, p.91.

> 1) Those who think a democratic country must have opposition parties in Parliament; 2) Those Chinese-educated who feel they have been neglected by the Government; 3) Those who could not improve their standard of living and: 4) Those who blame the Government regardless of the issues.[385]

The Politics of Singapore in the Wake of 1991

The PAP has begun efforts to reinvigorate its grassroots organizing efforts to win back the support of these alienated constituencies, especially among the critical Chinese-educated segment of the population. It also attempted to pay more attention to Singapore's less advantaged by paying more attention to programs which address these needs.[386]

The political scene in Singapore was considerably muddled in late 1992, with Goh strengthening his political hand vis-a-vis his predecessor. Goh made a public appeal for new political talent to step forward in Singapore on November 22 to take part in the renewal process in the Cabinet. The next day the government announced that both B.G. Lee and First Deputy Prime Minister Ong Teng Cheong had been diagnosed with lymphatic cancers and were undergoing treatment. While the best face was put on this announcement, with the prospects for successful treatment highlighted, uncertainty about the future was the order of the day.[387] A few weeks later, on December 2, Goh announced that he was resigning his Parliamentary seat, along with the other members of his GRC to force the BE's promised during the 1991 GE. The next day the announcement was made that he had been elected by the PAP CEC to become the secretary-general of the PAP.[388] With Goh consolidating his power to challenge the opposition both outside the PAP and within, the BE campaign began.

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[385] Op. Cit. in Bilveer Singh, *Whither PAP's Dominance..*, p.119.

[386] See M. Ramesh, "Social Security in Singapore," *Asian Survey*, Vol. XXXII, No. 12, December 1992, pp. 1093-1108.

Against the backdrop of this development, Lee Kuan Yew, during the BE campaign, commented that he was glad that Tony Tan, his previous first choice for a successor, would be returning to the cabinet from private life. Two days later the Prime Minister indicated that there was no such plan in the offing and no national crisis to warrant such a move.[389] Some observers of the Singapore political scene interpreted the curious exchanges between Lee Kuan Yew and Goh during the election campaign over Tan as an attempt by Lee to reassert his control over the political power structure of the party in light of the now uncertain health status of his son. While Goh seemed acceptable as the interim candidate while Lee Hsien Loong continued the grooming process, the prospect of Goh as a long term Prime Minister was apparently not so much to the Senior Minister's liking.[390]

Goh's scored a resounding success in the Parliamentary By-elections (BE) in December of 1992, where he unexpectedly answered the challenge in his own Marine Parade GRC. This strengthened the Prime Minister's hand. The SDP contested and the elections fared poorly. The Worker's Party was unable to contest the Goh led team of MPs, as one of the four required candidates bowed out at the eleventh hour. There is speculation that the WP leader, Mr. Jeyaretnam, decided privately not to contest so as to avoid the possibility of coming in third behind the PAP and the SDP. This election probably spelled the end of Mr. J.B.. Jeyaretnam as a force on the Singapore political scene.[391] While the BE firmly cemented the SDP as the strongest opposition to the PAP, Goh trounced the SDP team, winning 72.9% of the vote.[392] It additionally demonstrated the rapid maturation of Goh after his initial stumbles to both take control of the party and execute some deft political maneuvers in the face of the opportunities that presented themselves. While Lee Kuan Yew still carries enormous weight and serves a number of useful purposes for the PAP, it would seem that Goh has successfully wrested a large measure of control of the Party and the CEC from Lee Kuan Yew's hands. While this by no means makes Goh "untouchable," in the absence of serious missteps on the part of his government, Goh seems much more firmly entrenched at the top than might have appeared possible in the late night following the elections of 1991.

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[387] *Asian Recorder*, Vol. XXXIX, No. 1, January 1 -7, 1993, p. 22828
[388] *Asian Recorder*, Vol. XXXIX, No. 1, January 1 -7, 1993, p. 22828.
[389] Ibid, p. 20.
[390] Ibid, p. 20.

Curiously, these developments probably bode well for an eventual government headed by the Prime Minister's son, although somewhat later than Lee Kuan Yew might have envisioned. Lee Hsien Loong's treatment and progress in his battle against cancer were played out in a very public manner in the Singapore Press. By April of 1993, the *Straits Times* announced that Lee had been given clearance by his doctors to attend Cabinet meetings, although the Prime Minister indicated that he would not be given a portfolio immediately to give him time to recuperate. The story spelled out that the chances for recurrence of the disease was the greatest within the first two to three years.[393] On the issue of eventual succession, Goh stated the following:

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[391] N. Balakrishnan, "Warrior's Fate," *FEER*. January 21, 1993, p.29.
[392] N. Balakrishnan, "Crack in the Cabinet," *FEER*, January 7, 1993, p. 20.

> Well, he is still my choice for the next Prime Minister. But the choice is not by me. The choice has to be made by his colleagues, MPs, other ministers and Singaporeans, I am not vested with the power of choosing the Prime Minister.[394]

Should Lee Hsien Loong's cancer remain in remission for the next few years, one might anticipate another political succession taking place in the future, although much farther in the future than Lee Kuan Yew probably anticipated. Goh has publicly discussed winning the next elections due in 1996 and the possibility of contesting the first elections of the new century.[395]

The Presidential Elections of 1993

Another move may provide a precedent for the younger Lee to remain an active political player despite uncertainty concerning his health. Ong Ten Cheong, the former head of NTUC, First Deputy Prime Minister and PAP Chairman, diagnosed with cancer at the same time as B.G. Lee, resigned his seat in Parliament and his position in the PAP to stand for election as Singapore's first elected President. In what did amount to very nearly a coronation, the government Presidential Election Commission (PEC) rejected applications from all but its own chosen candidate, Mr. Ong, and struggled until the last minute to find another candidate, Mr. Chua Kim Yeow, to run against him. The applications of J.B. Jeyaretnam and Tan Soo Phuan, both of the Workers' Party, were, not surprisingly, rejected. The PEC maintained that neither had the financial background for the office nor was is satisfied that they met the requirements of the law with regard to "integrity, good character and reputation."[396]

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[393] "BG Lee well enough to join Cabinet Meetings," *The Straits Times* (Weekly Edition), p. 1.
[394] Ibid, p. 1.
[395] N. Balakrishnan, "Crack in the Cabinet," *FEER*, January 7, 1993, p. 20."

Despite the other candidate, Chua Kim Yeow, being basically a stiff put up to give the election some semblance of being a real contest, he garnered 41.3% of the vote to Ong's 58.7%. The campaign was a rather laughable affair, with Mr. Chua, in an almost apologist manner, all but admitting that he was merely running to provide Ong with an opponent. He was persuaded to stand by Goh Keng Swee and Finance Minister, Richard Hu, so as to provide some semblance of competition.[397] In putting a somewhat curious spin on the surprising strength of the "empty suit" candidacy of Chua Kim Yeow, the Prime Minister stated the following in his post-election remarks, (one would think without intending irony):

> That Mr. Chua Kim Yeow is able after only two TV broadcasts and one press interview to get 41% of the votes *reflects on the growing maturity of the electorate.*
>
> This contest is better than if Mr. Ong Teng Cheong had been returned unopposed.... I also congratulate Mr. Chua Kim Yeow on his credible results. I thank him for contesting against Mr. Ong at short notice.[398] [italics added]

What is more likely inferred by the strong electoral performance of the apologetic Mr. Chua , who received nearly as large a percentage of the vote as that which elected Bill Clinton President of the United States, is the disillusionment of the electorate with the whole process of the Presidential election and the high handed manner in which the PAP handled it. While Mr.Chua was not exactly the Pat Paulsen of Singapore politics, in that he was not by choice a "protest of the ridiculous" candidate, the strength of electoral response does indeed seem to indicate an electorate that is no only increasingly mature but also increasingly impatient with the PAP's political manipulation.

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[396] "Two Candidates Approved for Presidential Campaign," *The Straits Times*, published in *FBIS East Asia Daily Report*, August 19, 1993, p. 35.

[397] "Voters Choose Teng Cheong, "The *Straits Times*(Weekly Edition),Sunday August 29, 1993 p. 1

[398] "PM: Teng Cheong has clear mandate to be President, *The Straits Times*(Weekly Edition),Sunday August 29, 1993 p. 1

In this new political institution, which the PAP created as a backstop to safeguard its control, they may also have unwittingly created a new political problem. This is a very public forum, in which the public is able to watch the government reject application after application of candidates, for whatever reason, while steering their own chosen candidate into a position which now possesses a significant amount of real political power. This may result is yet more public cynicism just as the PAP attempts to counter such electoral disillusionment by renewing it connections at the grassroots level. In the short term, however, barring further difficulties with Mr. Ong's health, with a term of office of six years, the Presidential issue may fade from public consciousness. Mr. Ong, with a very public reputation as an advocate for the interests of the more traditional Chinese segment of the population, may in fact, boost the PAP's short term prospects.

Prospects for the future

Huxley asserts that the PAP will, during the nineties, have to make the choice between two rather stark alternatives. The first, becoming a genuine electoral party, and learning to operate in a multi-party environment, differentiating itself from the state. The second, is a swing to the right, in favor of a neo-authoritarian government, with the PAP taking further measures to stem the rising tide of opposition strength.[399] The circumstances on the ground seem to favor the former solution over the later, although not by a wide margin. Either solution is possible.

Recent efforts to reinvigorate the PAP's grassroots connections, such as the renewal of the youth wing of the Party, coordinated by one of the more liberal new ministers, B.G. (Res.) George Yeo seem to auger in this direction.[400] Yeo reportedly encouraged the members of the youth wing to not be hesitant to adopt views that do not square with the thinking of the party.[401] Similar renewal efforts are underway within the women's wing of the Party as well.

The presence of B.G George Yeo and B.G. Lee Hsien Loong in the Cabinet and government highlights another recent phenomenon in the history of the PAP. This is greater civic involvement on the part of the military and its extensive reserve components. Since the late 1980's the SAF Reservists' Association has organized "role playing" exercises in which participants simulate governmental decision-making on topical issues.[402]

The PAP party line on this increasing involvement of senior military officers in government and politics is that this is simply an effort to take advantage of proven leaders who have often been educated at significant governmental expense. Huxley also offers a competing interpretation of the

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[399] Huxley, "Singapore's Politics....," p.91.
[400] See "'Young PAP' Revamped in Party Recruitment Drive," *Business Times* (Singapore), April 26, 1993, p. 2. published in *FBIS East Asia Daily Report*, August 29, 1993, p. 40.
[401] "Told to 'Occasionally' Hold Unlike Views" *Business Times* (Singapore), April 26, 1993, p. 2. published in *FBIS East Asia Daily Report*, August 29, 1993, p. 40.
[402] Huxley, "Singapore's Politics....," p. 292.

PAP creating a network of senior SAF officers within the government which would be capable of administering Singapore should civilian leadership fail.[403] While this is admittedly unlikely, it is an interesting interpretation of a fairly significant shift in the political makeup of the Party and the government. Huxley does point out that both of Lee Kuan Yew's male offspring have risen through SAF ranks to senior positions.[404] While the political nature of the change remains somewhat uncertain, it does translate into a powerful lobby for defense interests within the government.

For the foreseeable future, the PAP seems solidly in control of the political scene in Singapore. The important trend to observe over the next few years will be how it deals with the increasingly well organized opposition. The recent (April 1993) sacking of an SDP politician, Dr. Chee Soo Juan, by the National University of Singapore over the misuse of S$226 dollars, to mail his wife's thesis to a university in the United States, brought to the fore charges of a politically motivated vendetta. [405] The PAP's squeaky clean attention to detail concerning the actions of politicians certainly provides a somewhat opaque cover for its actions. Still, the details of the case of the unfortunate Dr. Chee seem to indicate that the PAP is still willing to go after the most inane *faux pas* of anyone who opposes them politically. Liberalization seems indeed more style than substance. By years end the SDP was in disarray, with its chairman, Chiam See Tong, expelled, the party searching for new leadership and roundly condemning their former leader.

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[403] Ibid, p. 292.

[404] Ibid, p. 292.

[405] See, Dr., Chee affair: SDP rapped in Parliament, *The Straits Times*(Weekly Edition),Sunday April 17, 1993 p. 2.

This split in the opposition was, of course, covered in great detail in the *Straits Times*.[406]

It seems that the PAP's strategy for offering more pluralism in the future in Singapore will be increasing attempts to renew itself to meet voter expectations rather than trusting more to the vagaries of a real two or three party system. While the opposition may find a larger voice in the legislature, it seems apparent that the PAP will continue to use its patronage dispensing power and control of the media to hamstring them at every step. While this will certainly slow the process down, it may eventually produce a group of surviving politicians who are every bit as tough as their PAP counterparts. The 1996 general elections should be a most interesting contest, as well as saying much about Singapore's political trajectory. What is clear from the events of the eighties and nineties is that genuine politics has returned to Singapore. Barring a disaster, such as an unexpected plunge in economic fortunes, a serious security threat from without, or violent civil unrest, there is little chance that the PAP will be able to force the genie back in the bottle. How they deal with the now released specter bears observation.

C. Economics

> Around the world, key economic activities are becoming concentrated in a few strategic nodes. In finance, the key centers are Zurich, London, New York, Hong Kong and Singapore. In shipping, Rotterdam serves Europe, Hong Kong serves China, and Singapore serves a region stretching from India to Taiwan, and beyond. The same is happening in air transport, telecommunications, information technology, and even industries like chemicals and petrochemicals.
>
> Each strategic center attracts business from an extended hinterland and prospers out of proportion to the size of the local economy. Each is a hub,

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[406] See "Chaim: Slam colleagues, but also admit your own faults," *The Straits Times*(Weekly Edition),July 31, 1993 p. 13.

> servicing the region and linking it to the world. Each builds up its position by investing in its people, planning far ahead, organizing itself as a world class team, and staying ahead of the pack.
>
> Singapore has always been an entrepôt, but a hub city is much more than an entrepôt. A hub city must offer first-class products and services. The infrastructure must rank with the best in the world. The quality of service must be acknowledged even by competitors. "Singapore" must become a synonym for quality, reliability and excellence. We will become a business hub of the Asia Pacific.[407]

An Economy with two Wings, The Internal and External Economies

The preceding excerpt from *The Next Lap*, the Goh government's 1991 election manifesto, gives a very compelling statement concerning Singapore's economic future. The success of the Republic since independence has not bred complacency. Any notions of resting on its laurels were forever quashed by the recession of 1985. Singapore is continuing its move up the value-added ladder, both at home and abroad.

This is being accomplished by encouraging the shift to a more service oriented economy at home and extending its reach farther into the extended hinterland of the world economy abroad. Singapore's internal economy has been built by capital and expertise imported from abroad. This has created strong linkages to the world economy and vulnerability to the vagaries this entails. Singapore, with a tiny domestic market, is not taking the course of trying to inhibit direct foreign investment (DFI), but rather continuing to encourage it in the domestic economy. While foreign companies are encouraged to bring their expertise to Singapore, Singaporeans are being encouraged to take what they have learned thus far and export these skills to emerging markets abroad. In this new era, however, Singapore is being more selective about the incentives it offers. It is aiming for those industries and services that will provide it citizens with the skills and technology to compete in increasingly competitive world markets. At the same time Singapore is attempting to decrease the need for imported labor to man less skilled, low value added production industries. It is pressing its businessmen and entrepreneurs to venture abroad and aggressively pursue opportunities in emerging markets, particularly in Southeast and East Asia, letting labor in these nations do what was once necessary to build the economy in Singapore.

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[407] The Government of Singapore, *Singapore: The Next Lap*, (Singapore: Times Editions Pte Ltd, 1991), pp. 58-59.

Singapore's modern and efficient infrastructure has had outstanding success in attracting foreign investment. More than 3,000 multi-nationals have invested in Singapore.[408] Singapore's 1990 GNP per head of US $11,300 was approximately equal to that of such countries as Hong Kong, Israel, Spain and Ireland, for this reason the World Bank and other UN agencies placed Singapore in the 'High income Economies' category. In 1991 there were only 24 other countries covered by this definition and there was a strong possibility of Singapore, together with the Republic of Korea, joining the Organization for Economic Co-operation and Development (OECD) in the near future.[409]In 1991 external demand continued to provide two-thirds of the increase in total demand. Singapore's international competitiveness remained strong through 1991. In 1991 goods exports grew at 11%, service exports at 4.6%. and manufacturing at 5.3%.[410]

Concerted efforts to develop local commerce were begun in 1989, as the government began to give fiscal, financial, marketing and technical assistance to local small and medium-sized enterprises. These efforts to develop an indigenous entrepreneurial base were a response to what was viewed as an excessive dependence on MNC's. While encouraging business development at home, the Singapore government was determined to advance further into high-technology and capital-intensive industries by introducing automation and more effective mechanization into existing industries. These efforts were made across the board in the petrochemical, aerospace, biotechnology, and information technology sectors.[411] As the economy shifts up, Singapore has placed increasing emphasis on its service sector. Tax incentives have been added to encourage development there following the pattern that initially attracted manufacturing. Manufacturing has been increasingly shifted offshore and the vision broadened to include a more integrated manufacturing/service mix, offering after-sales services, testing, storage and warehousing services. As wages in Singapore rise, the Republic takes advantage of its outstanding infrastructure to move production to low cost areas in Southeast Asia, especially in the Johor-Riau-Singapore "Growth Triangle," with Singapore acting as the management, financing and headquarters node. The constraints of the domestic market, including the shrinking labor pool have given further impetus to the press for expansion overseas. The government's announced intention of limiting the number of foreign workers is a further indication of the trend toward both automation at home and expansion abroad. An overview of the incentive offered to both foreign investors and local businesses will give a more accurate impression of the trajectory of government policy than a litany of statistical data.

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[408] The Embassy of the United States of America Singapore, *Investment Climate Statement: Singapore*, June 1990, p. 3.
[409] *The Far East and Australasia 1993*, (London: Europa Publications Ltd., 1992),p. 865.
[410] Ibid, p. 865.

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[411] Ibid, p. 866.

Government Incentive Programs

Administered by the Economic Development Board (EDB), investment incentives play perhaps the most crucial role in the government's shaping the pace and direction of the economy of Singapore. These policies represent vision of Singapore's leaders concerning the economic future of the island Republic. The EDB has great leeway in administering incentive programs under the Economic Expansion Incentives Act. The following incentive programs are designed primarily to encourage foreign companies:

* **Pioneer Status:** New Manufacturing and service activities, approved by the Finance Ministry, are granted complete or partial exemption from the 31% tax on profits for a period of five to ten years. Pioneer Status requires that the investment introduce technology, know-how or skills into an industry which are substantially more advanced than that of the average level prevailing in the industry and that there be no firm in Singapore performing similar activity without being awarded Pioneer status. This provision may be extended upon expiration to encourage such companies to continue their Singapore operations.

* **Expansion Incentive:** Manufacturing and service companies with a minimum investment of S$10 million in new production equipment and machinery may be granted exemption from the taxes on profits in excess of pre-expansion levels for up to five years.

* **Investment Allowance Incentive:** Allows manufacturing and service activities, particularly those in research and development activity, construction, or projects for reducing consumption of potable water, to be exempted from taxation on a proportional basis (up to 50%) of the value of new fixed investments.

* **Operational Headquarters (OHQ) Incentive:** Provides tax incentives fro the establishment of entities providing management and other approved headquarters related services to subsidiary/associated/related companies in other countries, provided that the company is incorporated or registered in Singapore.

* **Export of Services Incentive:** Aimed at encouraging the development of export-based services, available to Singapore-registered companies providing professional and knowledge-intensive services to customers outside Singapore. Companies should have a minimum of 20% of revenue derived from offshore earnings.

*__Post Pioneer Incentive:__ Continued tax relief, at a lower rate for companies whose Pioneer status or export incentive status has expired.

* **Venture Capital Incentive:** For companies with at least 50% Singaporean ownership (citizens or permanent residents), tax concessions on losses incurred for approved new technology projects.

* **International Direct Investment Incentive:** Also for companies with at least 50% Singaporean ownership, tax relief for investors overseas losses against other taxable income.

* **Approve Foreign Loan Scheme:** Withholding tax exemption on interest payments to foreign lenders on loans for the purchase of productive equipment in Singapore, provided such relief does not increase tax liability in a foreign country.

*__Approved Royalties:__ Full of partial exemption of withholding tax on royalties to eligible companies if such relief does not increase tax liability in a foreign country.

*__Accelerated Depreciation Allowance:__ Additional annual allowance of up to 33 1/3% for machinery and plant investment. Accelerated allowance of 100% (a one year write-off) for computers and prescribed automation equipment. [412]

The following incentive programs are also administered by the EDB to assist and encourage the development of smaller domestic companies in Singapore. Most provisions are available to companies with joint Singaporean-foreign ownership, provided the linkages to the Singaporean economy generate local benefit:

* **Product Development Assistance Scheme (PDAS):** Provides cash grants to encourage product design and development capability for indigenous technology and know-how.

* **Business Development Scheme (BDS):** To encourage and assist small and medium sized companies, particularly in overseas markets. Assistance grants are available to cover cost of studies or overseas visits to explore new technologies or markets, establish business contacts, pursue joint-venture arrangements or participate in approved business development workshops and seminars.

*__Automation Leasing Scheme (ALS):__ Provides incentives and low cost financing to encourage Singapore companies to introduce and apply robots and related automation equipment and systems. Also available to foreign-owned companies with established Singapore operations.

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[412] The Embassy of the United States of America Singapore, *Investment Climate Statement: Singapore*, June 1990, pp. 8-11.

* **Incentives in New Technology Scheme (INTECH):** To encourage investment and manpower development in the application of new technologies, industrial R & D, professional know-how, and design and development of new products, processes and services to establish new capability within companies or industries.

* **Equity Participation Scheme:** Provides capital assistance through an EDB share in investments. Intended as a short term support measure for new enterprises

* **Venture Capital Program:** To promote overseas direct investment in high technology firms in Singapore, assist local firms in acquiring new technologies or penetrating new markets. Also supports diversification into new industries through joint-venture or equity participation and local entrepreneurship and innovation.

* **Capital Assistance Scheme (CAS):** Makes available long term fixed-rate loans for investment in Singapore. Loans may be used for equipment, plants or buildings. Firms are selected by the EDB without restriction on ownership or size.

***Automation Feasibility Study (AFS):** Provides grants of up to S$50,000 to assist firms in identifying operational areas where automation can be implemented. All Singapore registered firms are eligible. AFS provides a grant of 70% of the cost of using experts of parent firms to implement such programs for subsidiaries of MNC's.

* **Design for Automation Scheme:** Offers incentives for design modification to adapt products for automated manufacturing. Available to all Singapore registered firms, but with restrictions with regard to local participation.

* **Investment Study Grant (ISG):** Encourages local companies to invest overseas for purposes of technology acquisition and/or market access. Available only to local firms it helps defray expenses associated with exploring opportunities for overseas investment.

* **Small Industry Finance Scheme (SIFS):** A low-cost financing program administered by EDB to help smaller enterprises (less than S$8 million in fixed assets) to encourage them to upgrade and expand their operations.

* **Small Industry Technical Assistance Scheme (SITAS):** The EDB reimburses up to 70% of the cost of engaging experts to assist in upgrading skills and technology. Covers human resources only, not the cost of implementation of recommendations.[413]

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[413] Ibid, pp. 11-15.

In addition to programs administered by the EDB, the Trade and Development Board (TDB) manages incentive programs to assist companies with international marketing. These programs have particular significance now as Singapore move aggressively to expand its external economy:

* **Approved International Trader Scheme:** For traders whose Singapore operations have an annual turnover of at least S$200 million and direct business cost of at least S$2 million a year, employing at least three traders and contributing to the training of international trading expertise. The enterprises must make use of Singapore's banking, business and ancillary services and support and make use of Singapore's trade infrastructure such as the Export Institute of Singapore, trade arbitration services and futures trading.

* **Double Tax Deduction Scheme (DTD):** Designed to encourage Singapore traders and manufacturers to increase exports of Singapore-made products. Allows deduction of twice the expense of activities related to eligible overseas trade promotion activities.

* **Market Development Assistance Scheme (MDAS):** Cash grant program to encourage export promotion and market development projects. Available to manufacturers, traders, and service companies. Open to all Singapore registered companies, 30% local equity requirement, limited to Singapore-made goods or services, promotion activity must not be related to purchases by affiliated companies overseas.

* **Pioneer Status Scheme for Countertrade:** Limited to countertrade services companies to encourage development of that sector. A separate company must be formed to engage only in countertrade activity. The company should have established links, commit to a certain volume of trade and employ an agreed number of specialists. At least one leg of each trade must be routed through Singapore. Full tax exemption for the first five years on countertrade profits. Tax holiday may be extended by the TDB after the first five years.

* **Approve Oil Trader Scheme (ATOS):** Concessionary tax program to encourage promotion of Singapore as an oil trading center. Annual turnover requirement of US$100 million and direct business spending in Singapore of at least S$500 million per year. Must employ at least three experienced oil trading professionals and be an established company with a good track record in the international market. [414]

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[414] Ibid, pp. 15-17.

Results of Incentive Programs and Restructuring Impetus

It is not surprising that with such a variety of incentive programs that offer such attractive terms, Singapore has been so successful in attracting investment, promoting its exports and expanding its role as a regional and global "hub city." The results of the incentive programs are impressive. The services sector, as of the end of 1991, had generated S$446 million in Total Business Spending (TBS). Fixed asset values stood at S$991 million. TBS had more than doubled since 1989 when it stood at S$200 million.[415] The Overseas Headquarters Program (OHQ) program was very successful. More than 35 companies (excluding financial companies) qualified and spent more than S$600 million in 1991.[416] Following the success of the OHQ's were logistics services and information technology services. In 1991 TBS by companies promoted by the EDB under the logistics services program stood at S$80 million, an increase of S$15 million over 1990. Singapore's technical an engineering services sector made inroads into regional markets, concluding contracts worth some S$1 billion in 1990. Government estimates project an additional S$45 billion investment in environmental control infrastructure and facilities in the NIE's, Indonesia, Malaysia and the Philippines through 1997.[417]

Local initiative programs were flourishing, as well. The SIFS, renamed the Local Enterprise Finance Scheme (LEFS), disbursed over S$353 million in loans to 1,130 local enterprises and the SITAS program S$10.3 million in grants to 439 projects in 1991. The pool of available venture capital for local companies stood at over S$2 billion in the same year and more than 100 local firms had received financial assistance through the fund.[418]

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[415] Ministry of Information and the Arts (Singapore) *Singapore, Facts and Pictures 1992*, (Singapore: Ministry of Information and the Arts, 1992), p.38.

[416] Ibid, p. 38.

[417] Ibid, pp. 38-39

In the area of upgrading the production stock and automating industry, government programs received a similarly strong response. From 1989-1991 346 companies took advantage of the ALS program. Loans valued at S$283 million were recorded with 54% of the loans (comprising some 30% of the amount financed) going to small and medium enterprises (SME's). Average project size had increased from S$713,000 in 1989 to S$1,187,000 in 1991. The government also established the Institute of Manufacturing Technology (IMT) to spearhead efforts in industrial automation and process technology, to be established at Nanyang Technological University. The International Federation of Robotics reported that Singapore had reached second place behind Japan in terms of robot density as compared to workforce. (Singapore had 5 robots per 1,000 workers and the Japanese 20 per thousand).[419]

In financial services Singapore showed similar results. In 1991 the Singapore Foreign Exchange Market consolidated somewhat, with an average daily turnover of US$74 billion, down from the 1990 average of US$83 billion but still above the 1989 average of $US 62 billion. Financial futures, traded on the Singapore International Monetary Exchange (SIMEX) include eleven types of futures contracts. Trading volume on the SIMEX grew from 1,579 contracts in 1984 to 24,175 contracts in 1991. The banking industry included some 134 banks, 35 with full licenses of which 13 were locally incorporated. Fourteen operated with restricted licenses and 85 with offshore licenses. altogether there were a total of 436 bank offices in Singapore at the end of 1991. Domestic banking assets/liabilities at the end of 1991 totaled over S$136 billion. At the end of 1991, 136 insurance companies were operating in Singapore in all phases of the industry. In 1991 total premiums written by general insurers stood at S$1, 845.2 million. Domestic business represented 53% of the total. The Stock Exchange of Singapore (SES), at the end of 1991, listed some 183 companies with a total market capitalization of over S$94 billion.[420]

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[418] Ibid, p. 39.

[419] Ibid, p.p. 39-40.

Excellence in Services, Southeast Asia's "Hub City"

Singapore continues to be a trade giant among Southeast Asian nations. In 1992 non-oil domestic exports grew by 13.9%, ending the year with a whopping 46% increase in December. For the year, Singapore's total trade volume climbed 5.4% to S$250 billion. The strong performance was led by brisk exports of computer disc drives (Singapore is the world's largest producer of computer disc drives[421]) and other electronic and computer products to the US and the EC countries as those economies began to struggle out of recession. [422]

The success of Singapore in developing itself into the primary "strategic node" of Southeast Asia is highlighted by some pertinent facts. The port of Singapore remained the world's busiest container port in 1991 and since 1986 has been the world's busiest port in terms of tonnage handled. Singapore Airlines was rated by *Condé Nast Traveler* as the world's best airline. Glittering Changi Airport won its fourth successive title as 'World's Best Airport', based on an international poll commissioned by the British magazine *Business Traveler*. Singapore retained the top spot in two BERI labor force ranking measures, the Labor Force Evaluation Measure and the quality of Workforce Measure, outdistancing second place Switzerland in both cases. BERI ranked Singapore as the third most creditworthy country in the world. In a survey conducted by Merrill Lynch, covering 67 major banks in 15 countries, Singapore banks took the top three spots among the world's strongest banks in terms of capital strength. The Overseas-Chinese Banking Corporation was rated first, the Development Bank of Singapore second and the United Overseas Bank third. A survey by Japan's *Nihon Keizai Shimbun* journal cited Singapore as the most promising location for investment by US and European companies. Respondents highlighted intrastructure, educational standards and the quality of Singapore's workforce.[423]

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[420] Ibid, pp. 56-59.

[421] *Asia 1993 Yearbook*, (Hong Kong: Far East Economic Review, 1993), p. 201.

[422] "Trade Development Board on 1992 Trade Volume," *The Straits Times*, February 2, 1993, p. 36. Published in *FBIS East Asia Daily Report*, February 5, 1993, p. 34.

Building the External Economy

In the 1990's perhaps the most prevalent trend in Singapore in the push for Singaporeans to move offshore and develop a strong external economy. Lee Kuan Yew warned that Singapore would become a "failed NIE" if its people were satisfied with success at home and did not venture abroad to build an external economy. Lee warned that Singapore was already being left behind by South Korea, Taiwan and Hong Kong, which were rapidly internationalizing and that the other ASEAN states were rapidly catching up as well.[424] In February, Finance Minister Richard Hu announced a new package of incentives to encourage Singaporean investors to take part in

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[423] Ministry of Information and the Arts (Singapore) *Singapore. Facts and Pictures 1992*, (Singapore: Ministry of Information and the Arts, 1992), pp. 190-191.

[424] "Lee Kuan Yew Urges Building 'External Economy'," *The Singapore Sunday Times* , January 3, 1993, Published in *FBIS East Asia Daily Report*, January 5, 1993, p. 35.

"risky but highly profitable" ventures abroad, particularly in Singapore's neighbors. Hu announced a unilateral tax credit on overseas dividend income and a program of double tax deductions for expenses incurred in developing overseas investments and promoting the export of services. Hu stated, "the government will on its part do whatever is possible to encourage, facilitate, and be a partner of an outward economic expansion."[425]

Singapore's efforts are beginning to bear fruit. Perhaps the centerpiece of the effort to expand overseas while concentrating on regional neighbors is the "Growth Triangle" established with Malaysia and Indonesia in the southern Malaysian state of Johor, Singapore and the Indonesian Riau Islands. The Minister of Trade and Industry reiterated Singaporean commitments to the scheme in August of 1993. In late-1993 the Bantam Industrial Park had some 23 factory buildings employing 16,000 workers. [426] Singapore also maintained significant investment activity in Malaysia. In 1992 Singapore had 184 approved projects worth M$442 million, up in number from the 1991 figure of 108 but down sharply in total dollars from the 1991 figure of M$1 billion. Two thirds of the projects were located in Johor. There was concern in Malaysia that a drop in investment was a signal that Singapore had "forgotten" Malaysia in favor of the cheaper labor markets in China and Vietnam. A rise in first quarter investments in 1993 was somewhat reassuring to Malaysian authorities, who noted that Singaporean investment was increasingly coming from small and medium sized companies. Although it can be expected that Singaporeans will seek out new opportunities in China and Vietnam, they should maintain a significant presence in Malaysia, for political as well as economic reasons. A recent survey by the Singaporean Manufacturers Associated indicated that a third of the 323 polled companies had factories in Malaysia.[427]

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[425] "Target Overseas Business Expansion," *Hong Kong AFP*, February 27, 1993, Published in *FBIS East Asia Daily Report*, March 1, 1993, p. 44.

[426] "Minister Reaffirms Commitment to growth Triangle," *The Straits Times* , July 31, 1993, p. 27, Published in *FBIS East Asia Daily Report*, August 2, 1993, p. 35.

Singaporeans were active in China, setting up a joint venture computer firm and winning bids for a major property development in Shanghai, in partnership with a Hong Kong firm. Major projects were also announced in Vietnam.[428]Following Goh Chok Tong's China trip in May 1993, a S$300 million joint venture "mini-city" project with a group of Thai businessmen was announced. The project, to be located in Shandong, also involved developing port facilities and a power plant.[429] At the end of 1992 Singaporean investment in China stood at only S$1.6 billion.

A *Straits Times* editorial in the wake of Mr. Goh's China trip highlighted the opportunities for Singaporeans in the rapidly expanding Chinese economy, given the government's strong push for the development of the external economy and the cultural and language ties of Singaporeans with China. The editorial urged Singaporeans to catch up with their Taiwanese and Hong Kong counterparts in the opening Chinese market.[430] Two of the big local banks, the Overseas Chinese Banking Corporation (OCBC) and Overseas Union Bank (OUB) have been given the green light by the Chinese government to expand Chinese operations.[431] The government, in June 1993, announced the incorporation of an investment company, China-Singapore International Pte. Ltd. to seek and develop investment opportunities with partners from Hong Kong.[432]

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[427] "Investments in Malaysia Rise in First Quarter," *Business Times* (Singapore), May 24, 1993, p. 1, Published in *FBIS East Asia Daily Report,* May 26, 1993, p. 33.

[428] See "Computer Firm to Open Factory in PRC Province, *Business Times* (Singapore), April 7, 1993, p.2 and. "Firm Wins Land Development Projects in PRC, SRV," *The Straits Times,* April 8, 1993, Published in *FBIS East Asia Daily Report*, April 9, 1993, p. 34.

[429] Mary Kwang, "S'pore plans $300m mini-city in Shandong," *The Straits Times Weekly Edition,* May 1, 1993, p. 1.

[430] "S'pore's edge in China ventures," *The Straits Times Weekly Edition,* May 1, 1993, p.14.

Although Singapore clearly has advantages in competeting for Chinese investments, not the least of which being Goh Keng Swee's Peking connections, the political ramifications in Southeast Asia will probably exercise a degree of restraint. The widespread use of Hong Kong based partners may be an effort to blunt such potential criticism. How well this will hold up after 1997 is an open question. Singaporean, "encouragement" of immigration from Hong Kong may be connected to this effort to tread carefully and circuitously into the Asian giant. The "Third China" rhetoric could be easily adapted to the "China Inc." rhetoric.

Singapore's Economic Vision for the Future

Employment

In April of 1993 Goh Chok Tong outlined four strategies to help Singapore tackle the problem of low-skilled workers losing their jobs and taking advantage of the challenges of an increasingly competitive world. He cited the following points in Singapore's attack on the problem: 1) Investing in education; 2) Immigration of talent; 3) Giving Singaporeans a stake in the country, and; 4) Programs to help poor Singaporeans raise their standards of living and upgrade themselves.[433] Programs to encourage smaller families among low income parents and to assist these families in providing a good home environment and access to education were announced. Goh highlighted the utility of allowing skilled entrepreneurs from countries like India and Hong Kong to operate in Singapore, as this would create jobs for Singaporean workers. Home ownership and ownership of Singapore industries such as Singapore Telcom, available to Singapore citizens through their CPF funds, were highlighted as a way for citizens to get a personal stake in growth. Goh urged Singaporeans to upgrade their skills so that they would be qualified for the jobs of the twenty-first century. He cited these types of educational efforts as essential to stem the growing disparity in income between the earnings of the top 20% of earners and those in the bottom 20%.[434]

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[431] Banks Expand Operations in China," *The Straits Times*, May 13, 1993, p. 30, Published in *FBIS East Asia Daily Report*, May 14, 1993, p. 41.

[432] "Government Incorporates Firm for PRC Investment," *Business Times*,(Singapore) June 3, 1993, p. 30, Published in *FBIS East Asia Daily Report*, June 8, 1993, p. 32.

Singapore's Economic Plan for the New Century

In his National Day message, the Prime Minister outlined the reasons for Singapore's success, their strategies for the future and what was to be learned from the mistakes of the West. With growth for 1993 projected at 7.5% to 8%, an improvement over the performance of 1992, Goh cited three factors for Singapore's good performance. First, regional prosperity and Singapore's participation in it. Citing schemes like the growth triangle, Goh highlighted the fact that one third of Singapore's investments in manufacturing were going to Malaysia. He also outlined the expansion of investment in Indonesia, into Bintan and the Karimun Islands. The Chinese connection and the position of Singaporean businessmen to take advantage of those opportunities received attention. Singaporean efforts in entering the Indian market and encouraging Indian businesses to utilize Singapore as a base for expansion into Southeast Asia were also outlined. Second, the efforts of Singapore to stay competitive were detailed. Despite rising costs, Singapore was rated by the World Economic Forum as the most competitive among 15 newly industrialized economies. The upgrading of worker skill, political stability of the country, efficient administration and quality of the infrastructure had enabled Singapore to offset rising labor costs. Thirdly, Goh maintained, Singapore had proven itself nimble enough to seek out and take advantage of new opportunities. This enabled Singapore to prosper even when its main markets were experiencing economic downturns.[435]

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[433] "Goh Outlines Four Employment Strategies," *The Straits Times*, August 16, 1993, p.1, Published in *FBIS East Asia Daily Report*, August 18, 1993, p. 28.
[434] Ibid, p. 29.

Goh urged Singaporeans to learn from the plight of the western industrialized world. As their industries found themselves increasingly uncompetitive, with jobs shipped overseas to developing countries, the west had to go through a painful restructuring process to adapt to the global economy. Citing the high unemployment and slow growth in the west, Goh remarked that the political pressure in these nations had resulted in social and welfare programs and subsidies for uncompetitive industries, cushioning the impact of the realities of the marketplace and inhibiting needed changes. Over time, Goh said, "these policies became millstones around the necks of the taxpayers." Lastly, with the exception of Japan, chronic budget deficits had taken from these governments the tool of using fiscal policy to combat economic downturns.

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[435] "Goh National Day Message Stresses Economic Vision,"" *The Straits Times*, August 9, 1993, p.27, Published in *FBIS East Asia Daily Report*, August 10, 1993, p. 38-40.

Goh compared Singapore's position in 1993 to where the western world was in the early 1970's. With double digit growth behind them and settling into a phase of single digit mature growth, Goh posed the rhetorical question of how Singapore would avoid the economic problems of the west. His answer to this question gives one a clear perspective on Singapore's economic trajectory and vision for the future:

> We have avoided many of the West's structural problems: We have a budget surplus, we shun welfareism, we emphasize education and vocational training, we promote flexible wages. We do not practise fractious adversarial politics. We do not allow populist pressures to prevent us from taking rational, hard decisions...nor do we have musical chair governments.
>
> The future belongs to countries whose people make the most productive use of information, knowledge and technology. These are the key factors for success, not natural resources. To stay ahead we must keep on improving our skills, knowledge and productivity. Only then can Singaporeans enjoy high and rising living standards. Hence our heavy investments in education and in the productivity movement.
>
> Let us learn from other peoples' experiences, and be resolute and far-sighted in tackling the challenges ahead. Only in this way will we avoid the problems of the developed countries and continue to succeed in the next phase of our development.[436]

D. Diplomacy

Singapore's diplomacy has not yet entered a post-Lee Kuan Yew era. The Senior Minister continues to exert enormous influence on Singapore's foreign policy. Prime Minister Goh stated as much on January 13, 1991:

> My priority over the next few years is domestic politics, not international politics. So on international matters, Mr. Lee has quite a bit of influence on me over the coming years.[437]

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[436] Ibid, p. 40.

[437] Op. cit. in Bilveer Singh, *Whither PAP's Dominance...*, p.22.

Prime Minister Goh has assumed the mantle of leadership in carrying out official state visits while Lee has become the free agent in foreign affairs. Relieved of the responsibilities of heading the government, Lee has assumed the role of Senior Statesman for Singapore. Emboldened by the success Singapore has achieved, Lee is an outspoken advocate for his own brand of rationalism, cultivating a role as a senior statesman for Southeast Asia as well. *Newsweek* magazine commented that while 'Lee's iron fisted brand of democracy remains controversial ... he is widely considered Asia's wisest statesman'.[438] With the gift for rhetoric undiminished, Lee is both respected and reviled for his straight-forward and blunt comments, solicited and unsolicited, on world and regional affairs.

Two tools are useful for examining Singapore's recent foreign policy. The first is a "mock Baedeker" constructed in 1984 by Lee biographer (unauthorized), James Minchin, of the "printable factors" that influence Lee's choice of overseas trips:

> 1. Access to special knowledge or classified intelligence and those VIPs who possess it. Reinforcement of Lee's views on genetics, medicine, etc. is a bonus, although experts can sometimes be annoyingly reluctant to confirm his interpretation of their data and theories.
> 2. Facilities to map out the several chessboards on which Singapore plays, to analyse a nation's or bloc's prospects and project scenarios.
> 3. A potential beach-head for Singapore - military training; acquiring needed resources of technology software and hardware, personnel including guest workers and professionals, raw materials, know-how, markets, trading partners or investment targets; lining up alliances or UN votes; provoking a third party by visiting a second.
> 4. Demand for a consultancy. (increasingly prevalent since Lee's "retirement").

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[438] "Singapore, Can Uncle Sam bounce back?" (interview with Lee Kuan Yew) *U.S. News and World Report*, December 21, 1992, pp. 74-75.

5. A platform to purvey hard truths, more in sorrow than anger, either directly to the people/nation concerned or via another audience.[439]

Secondly, these characteristics must then be viewed within the venue in which they operate. Returning again to N. Ganesan's definition of Singapore's "foreign policy terrain" is appropriate. Ganesan maintains that Singapore's foreign policy is made within a terrain, which "constitutes a set of imperatives or constraints that implicitly or explicitly are fostered into the decision-making process."[440] The four constraints that Ganesan highlights for Singapore are: 1) Vulnerability and the sovereignty principle: 2) demography; 3) strategic location and; 4) resource base, or the lack of it.[441]

As a small nation, Singapore must be constantly aware of its vulnerability with regard to its larger regional neighbors and threats to the region from without. As such, Singapore will do its utmost to maintain a strong military capability and cordial relations with the great military powers, particularly the United States. Singapore's foreign policy line has always rested on a bedrock of supporting the sovereignty of small nations and opposing actions which violate the "Sovereignty principle." This was the central organizing principle in the opposition to the Vietnamese actions in Cambodia. Their vocal opposition to the United States invasion of Grenada in the United Nations is another example of this which demonstrates this principle despite the generally pro-western bias of Singapore's foreign policy.[442] Demographics dictates that Singapore must be sensitive to the views of the Islamic nations and the foreign policy initiatives of its regional neighbors. Singapore will be careful to maintain its regional identity and not become identified as a Chinese outpost in Southeast Asia. The strategic location of Singapore dictates a policy that acquiesces to the fact that the region can never isolate itself from the currents of geo-politics. Thus, while ASEAN might advocate a zone of neutrality, Singapore has always argued for a policy that involved a balance of power in the region rather than exclusion of the great powers and continues to do so. Exclusion is viewed as impractical given the strategic imperatives that the geography of the region dictate. Finally, Singapore's dearth of natural resources dictates a policy that separates trade from politics. Dependent on open world markets to obtain the resources required for survival and to market its products and services to pay for those resources, Singapore cannot burn bridges over ideological issues. Diplomatic niceties will never be allowed to exert significant influence over Singapore's trade relations.

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[439] Minchin, p. 15.

[440] N. Ganesan, p. 67.

[441] Ibid, p. 68.

[442] Singapore's permanent representative to the UN stated before the Security Council that Singapore could not condone the actions of their friends [the US] "consistent with the stand which we have taken in other cases where the principle of non-interference in the internal affairs of states was also violated." See N. Ganesan, p. 72.

With the previous tools in mind, it becomes apparent that Singapore's policy will be biased toward efforts which minimize the negative impact of the constraints imposed by its foreign policy terrain. Singapore's foreign policy has strongly regional roots, with relationships with its immediate neighbors, Malaysia and Indonesia, at the top of the agenda. As an adjunct to regional relations with the two Malay-Muslim giants, Singapore has paid increasing attention to the development of cordial relations with Brunei. Singapore and Brunei share many interests by virtue of size and vulnerability in a region of larger neighbors and Brunei's oil resources have certainly played a part in Singapore's calculations.

Moving outward, the ASEAN group probably represents the next priority. Solidarity with the membership of this grouping provides a weighty voice in world affairs as well as minimizing the possibility of interference in Singapore's internal affairs on the part of regional neighbors. As has previously been alluded to, Singapore is often the odd man out in ASEAN, by virtue of its more advanced economy and more global view. The group's consensus management style, however, has enabled ASEAN to successfully "agree to disagree" for the past twenty-six years.[443] Singapore's ASEAN connections are extremely important for the maintenance of its regional image and providing a forum to discuss regional disagreements.

Apart from its regional neighbors, Singapore's strategic outlook necessitates attention to more global actors. The United States is clearly, to Singapore, the most important of the world's great powers. This relationship has become even more important since the beginnings of stronger military ties with the US initiated in 1990. The United States is Singapore's largest investor and export market. Japan probably ranks second, internationally, behind the US. The Japanese are the second largest investor in Singapore and the growing political role of the Japanese in Asia is seen as something that needs to be carefully monitored. Almost on a par with Japan is the rising giant, China. This relatively new priority is due to China's huge economic potential and the uncertainty concerning the strategic picture as the Chinese acquire more significant military capabilities. Ethnic and cultural affinity and the effect of these on Singapore's regional image figure prominently in this relationship.

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[443] For an excellent discussion of this phenomenon in the economic sphere see Bilson Kurus, "Agreeing to Disagree: The Political Reality of ASEAN Economic Cooperation," *Asian Affairs*, Vol. 20 No. 1, Spring 1993.

Ties with Commonwealth nations are still important to Singapore. This has much to do with common traditions, language and some ties, such as the Five Powers Defence Arrangement, which still remain in place. Many Singaporeans still study overseas in Commonwealth countries. As Australia attempts to identify itself as a more Asian nation, ties with Singapore may be expected to expand. Singapore has attempted to maintain good relations with Arab oil producers and the Indian Ocean Basin countries such as India, Bangladesh, and Sri Lanka. The non-aligned movement, with which Singapore initially identified itself, is seen as increasingly irrelevant.

Priorities in Singapore's Foreign Relations

Malaysia, Indonesia and Brunei

Singapore's relationship with its northern and southern neighbors are critical for reasons which should be evident given the stormy historical legacy of confrontation, merger and separation. The "growth triangle" economic development scheme is a perfect metaphor for the relationship between these three nations. The relationship is very triangular in nature, with Singapore attempting to maintain a balance between the two Malay-Islamic nations, while doing its best to prevent an alignment of the two.

The growth triangle itself is seen by some observers as more political than economic. Under the triangular arrangement, Malaysian criticism of shifting of Singaporean investment south and expanding ties with the

Indonesians can be blunted by the multilateral "partnership" arrangement.[444] The Singapore/Malaysia relationship has a tendency to wax and wane and has much more emotional volatility than that with Indonesia. A shift in Singaporean emphasis in favor of the latter seems evident in the early nineties.

Malaysia is vitally important to Singapore by virtue of Singapore's dependence on Malaysian water resources, need for Malaysian labor and the perceived military threat from across the causeway. Still, Singapore is most assertive of its independence from Malaysia. This assertiveness and the necessity to judiciously guard Singapore's territorial integrity, makes the bilateral relationship with Malaysia the most difficult to manage. The Malaysians were initially enthusiastic about the prospects of dealing with a government headed by a new generation of leaders, bereft of the emotional baggage of merger and separation. Dr. Mahathir commented that, "it will be easier for Singapore and Malaysia to work together now that a new generation of post-Independence leaders are in charge of Singapore."[445]

The hopes of Mahathir may be simply rhetorical. Continuing difficulties with Malaysia were highlighted in 1990 when the Malaysians suspended scheduled military exercises after tensions between the two were sharpened over a possible spying incident. In late 1989 the arrest in Malaysia of nine alleged spies (including five members of the Malaysian military, two defense ministry personnel and two Singaporeans) accused of selling secrets to an

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[444] Tim Huxley, "Singapore and Malaysia: A Precarious Balance?," *The Pacific Review*, Vol. 4. No. 3, 1991, p. 209.
[445] *The Straits Times*, January 14, 1991, op. cit. in Bilveer Singh, *Whither PAP's Dominance...*," p. 26.

ASEAN country (presumably Singapore) caused a serious rift between the two.[446]

In early 1990, following Singapore's agreement with Jakarta for the use of training facilities in Indonesia, the Malaysian Deputy Prime Minister made a public statement which dismissed allegations that the bilateral relationship with Singapore had hit a low point. The statement insisted that the closer bilateral military ties between Singapore and Indonesia represented no threat to Malaysia. This statement was made after a public statement by Indonesia's Ambassador to Malaysia indicated relationships with Kuala Lumpur were facing several problems. Among these were suspicions of the improvement in the Singapore-Indonesian relations and expanding military ties.[447]

By 1992 relations with Malaysian had cooled sufficiently to allow bilateral military exercises to resume. The relationship remained somewhat thorny, with continuing difficulties over conflicting claims to Pedra Blanca island, the only unresolved territorial conflict on Singapore's foreign policy agenda. Pedra Blanca, and one other small islet, located 55 km from Singapore, halfway between Johor and the Indonesian island of Bintan, are claimed by both Singapore and Malaysia. Although both parties have agreed to settle the dispute by diplomatic means, the negotiations have dragged on without resolution for more than ten years. Singapore bases it claims to the island on its maintenance of the island's lighthouse for more than 150 years. The threat of a difficult incident over the Malaysian claim was only narrowly in 1992 avoided when a group of Malaysian opposition *Parti Islam* youth activists planned to plant a Malaysian flag on the island. Fortunately, the group was unable to find anyone willing to provide them passage to the island.[448]

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[446] Ibid, p. 207.

[447] "Singapore-Indonesia Link No Threat: DPM," *Asian Defence Journal*, March 1990, p. 150.

In February 1993 the Malaysian Chief of Defence Forces, General Tan Sri Yaacob Zain, announced the formation of a joint Singaporean-Malaysian committee to look into ways of strengthening military ties, noting that in recent years the tendency had been for the two to drift apart. With the Malaysian Navy preparing to leave its Woodlands base in Singapore, the final direct link between the two will be coming to an end. General Yaacob indicated a desire to expand both the scope and frequency of bilateral exercises. He mentioned both naval and air exercises and pointedly omitted any mention ot bilateral ground exercises.[449]

Mahathir's aggressive promotion of the East Asian Economic Caucus (ECAC), excluding the United States, prescribed to counter insular trade blocs elsewhere certainly places Singapore in an uncomfortable position between ASEAN and its largest investor/export market. Singapore's pledge to conditionally support the ECAC was based on three provisos: 1) that it be consistent with GATT guidelines; 2) that it not adversarialy affect APEC, a grouping which it views as having wider scope and coverage and; 3) that it not undermine the solidarity of the ASEAN six, expected to be the core of such a group.[450] The opening of the APEC secretariat in Singapore on February 12, 1993 is an visible indication of Singapore's commitment to globalism in its trade policies. Singapore was elected by the 1992 APEC ministerial meeting to host the secretariat for three years.[451]

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[448] Malaysia, Tangled Ties," *Pacific Reporter*, Vol. 5. No. 4. November 1992, p. 23.

[449] "Military to Strengthen Ties with Malaysia," text of broadcast by Singapore Broadcasting Corporation, 1100 GMT February 3, 1993, published in *FBIS. East Asia Daily Report*. February 5, 1993, p. 33.

[450] Bilveer Singh, *Whither PAP's Dominance...,"* p. 26.

Mahathir's vocal opposition to the APEC group and his refusal to attend the Seattle summit must somewhat rankle Singapore's leadership. Nor does Mahathir's bluster and demeanor as the spokesman for the interests of the "south" sit particularly well with President Suharto of Indonesia.[452] The ASEAN brokered solution of making the ECAC a subcaucus within APEC, while still linking it to the ASEAN economic ministers meetings, represents the influence of Indonesia.[453] This also is an indication of an increasing confluence of Singaporean - Indonesian international policy, at the expense of Malaysia. With the ASEAN states struggling toward the development of an ASEAN Free Trade Area (AFTA), the cross causeway rhetoric between Singapore and Malaysia has begun to heat up as well. The Malaysian members of the ASEAN Chambers of Commerce and Industry have accused Singapore of serving as a dumping ground for imports in the region. They argued that non-ASEAN products enter Singapore, because of its free-port status, and are then relabeled as originating in Singapore. These products thereby gain preferential ASEAN access. Constructing an AFTA regime on a six-minus-two basis, eliminating Singapore and Brunei, was one solution that was proposed to eliminate such practices.[454] Such rhetoric is certainly unwelcome in Singapore.

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[451] Text of a broadcast by the Singapore Broadcasting Corporation, 1400 GMT February 12, 1993, published in *FBIS, East Asia Daily Report*, February 17, 1993, p. 52.

[452] William Case, "Malaysia in 1992," *Asian Survey*, Vol. XXXIII, No. 2. February, 1993, p. 193.

[453] "APEC's Prestige Grows, but Questions Remain About Proper Role of the West," *Asian Wall Street Journal Weekly*, August 2, 1993, p. 1.

[454] "Discuss Dumping in AFTA Market," *Business Times* (Singapore), July 19, 1993, p. 3, published in *FBIS, East Asia Daily Report*, July 20 1993, p. 1.

Other indicators point toward a shift in Singaporean policy toward more importance in the Indonesian ties compared to those with Malaysia. Singapore has recently concluded agreements with Indonesia to develop water resources in Sumatra for supplying Singapore, decreasing its dependence on the resources in Johor.[455] The *Asian Defence Journal* noted the following in the early stages of water development negotiations in 1990:

> ...Singapore's search for new water supplies can easily be misinterpreted in neighboring Malaysia, traditionally a major source of water, because of their sensitive relationship, diplomats said. Join talks on Singapore's water needs began [with Malaysia] in 1982, when both sides agreed to develop new water resources in Malaysia's southernmost State of Johor that would serve Singapore and Johor. [456]

B.G. Lee maintained that the Indonesian water initiatives were necessary because Johor had not agreed to build more dams. He also noted that buying from more countries would also help Singapore develop links with neighbors *and give them an interest in Singapore's security.*[457]

Singapore was effusive in its praise of the reelection of Suharto in March 1993. The New Order government was praised for its stability, contributions to sustained economic growth and long-range thinking. The election of General Try Sutrisno as Vice President was also seen as a positive development. With a clear second in command established in Sutrisno, the possibility of political infighting was viewed as minimal, all the faction heads having attested to his fitness for the office. This would ensure an era of

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[455] "Development Accords Signed With Indonesia," Text of a broadcast by the Singapore Broadcasting Corporation, 1100 GMT January 29, 1993, published in *FBIS, East Asia Daily Report*, February 02, 1993, p. 36.
[456] "Indonesia May Ease Singapore Water Crisis," *Asian Defence Journal*, May 1990, p. 113.
[457] Ibid, p. 113.

"stable change."[458] The General was viewed in Singapore as the best possible succession candidate, cementing civil-military relations and assuaging military anxieties as the Suharto era comes to an end. General Try's regional contacts, established during his years as the head of the ABRI, were viewed as "help[ing] to further strengthen Indonesia's ties with Singapore and other ASEAN partners, firming up the long-term prospects for regional stability.[459] The General, prior to stepping down from his position as Indonesian Commander-in-chief, paid a farewell visit to Singapore, meeting with both the Prime Minister and Singapore's Minister of Defence.[460]

In Singapore, it would seem, a strong authoritarian regime such as Indonesia's is viewed as a reliable partner which is a predictable entity in regional affairs. In the future, expectations of a further tilt toward Indonesia may not be misplaced.

Singapore has also been paying more attention to its bilateral links with Brunei. Bilveer Singh comments on the rationale behind this relationship between the secular, predominantly Chinese Singaporeans and the Islamic Monarchy in Brunei:

> Despite sociological difference, both Singapore and Brunei share an almost common geopolitical and geo-strategic environment. Both exist in Southeast Asia and are therefore subjected to the political vagaries of the region. Singapore and Bandar Seri Begwan are very much concerned and influenced by developments and policies of their two proximate neighbors, Malaysia and Indonesia. This largely explains the growing strategic alignment between the two small states. The convergence of their

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[458] "Suharto and Stability," *The Straits Times*, March 16, 1993, p. 42, published in *FBIS, East Asia Daily Report*, March 16, 1993, p. 51.

[459] "Sutrisno's Candidacy for Indonesian VP Hailed," *The Straits Times*, March 4, 1993, p. 28, published in *FBIS, East Asia Daily Report*, March 8, 1993, p. 36.

[460] "Indonesian Forces Chief Arrives for Visit," Text of a broadcast by the Singapore Broadcasting Corporation, 1100 GMT February 15, 1993, published in *FBIS, East Asia Daily Report*, February 17, 1993, p. 52.

geopolitical and geostrategic outlooks has been so great that it overcame the ethnic divide of the two societies.[461]

Brunei is the only ASEAN state whose military officers, of all branches, are trained in Singapore. Brunei's pilots are also trained by the RSAF. Brunei grants training facilities to Singapore and the SAF has a permanent training camp and its own Jungle Warfare School there. The two conduct numerous bilateral exercises and Singapore has supported the inclusion of Brunei in the Five Powers Defence Arrangement. Both share difficulties with Malaysia. Brunei, like Singapore, has an ongoing territorial dispute with Malaysia over Limbang, which divides Brunei into two enclaves linked by a narrow bridge. Lee Kuan Yew has maintained a close relationship with the Sultan of Brunei. Following the departure of the British Hong Kong based Gurkha defense forces from Brunei in 1997, the relationship may assume even more importance for Brunei.[462] Further reflecting the similar outlook of the two small Southeast Asian nations is the action of Brunei concerning the presence of United States forces in the region. Brunei has also signed a Memorandum of Understanding to facilitate expanded access for the US military to the Sultanate.[463]

Lee Kuan Yew visited Brunei in April 1993 and stressed the opportunities for Singapore as Brunei's economy became more sophisticated. Lee stated the desire of Singapore to work with Brunei "as equals and that is the basis on which we will have an enduring relationship." Lee commented on the Sultan's request for assistance in setting up an investment agency and his agreement to foster such efforts. This assistance included, but was not limited to, cooperation with the Singapore Investment Corporation (GIC), the investment arm of the Singapore government.[464]

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[461] "Vulnerable Allies: Singapore-Brunei Defence Bilateralism," *Asian Defence Journal*, May 1992, p. 12.
[462] Ibid, p. 13.
[463] "Regional U.S. Military Presence Supported," *Hong Kong AFP*, April 30, 1992. Published in *FBIS East Asia Daily Report*, May 4, 1992, p. 14.

Close ties with oil rich Brunei has obvious advantages for Singapore. Aside from the military training facilities Brunei offers, there is the diversification of energy supply resources that the relationship involves. As a large energy importer, this bilateral tie is very productive for assuring reliable oil supplies in an uncertain world. Huxley, in his somewhat alarmist examination of possible conflict scenarios vis-a-vis Singapore and Malaysia, deduces that Brunei might align itself with Singapore in such an instance, allowing its territory to be used for the opening of a 'second front' in East Malaysia.[465] While this projection is admittedly very speculative, as indeed is the entire premise of a Singaporean-Malaysian armed conflict, the growing closeness between Singapore and Brunei is a digit that cannot escape the strategic calculations of Malaysian military planners. In their policy of demonstrating such strength that military solutions to bilateral problems between Singapore and Malaysia are too costly to consider, the Singaporeans have made significant inroads in strengthening their ties with Brunei.

ASEAN and Southeast Asia Regionalism

Identification with Southeast Asia is a critical part of Singapore's foreign policy. Goh Chock Tong reiterated this policy recently in an interview with a German business newspaper held in Singapore:

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[464] Lee Kuan Yew Views Brunei Economy, Ends Visit," *The Straits Times*, April 23, 1993. Published in *FBIS East Asia Daily Report*, April 26, 1993, p. 49.
[465] Huxley, "Singapore and Malaysia:....," pp. 209-210.

> We are very clear in our minds that geographically, politically, and socially we belong to Southeast Asia and we have to be Southeast Asian first,
>
> If Singaporeans don't understand that, and think that because we are Chinese we can identify with the People's Republic of China when Southeast Asian interests are threatened, that will spell trouble for us.[466]

ASEAN has provided a valuable forum since 1967 for the consolidation of Southeast Asian interests. During the period when the region was fractured into the non-communist ASEAN states and the communist Indochinese nations, ASEAN provided a political bulwark of unity which was of immeasurable value to the membership in getting on with the business of post-colonial development. While constituted as a grouping to enhance economic, cultural and social interaction, ASEAN's most significant accomplishments have come in the political sphere. Their pivotal role in the resolution of the Cambodian is perhaps the apex achievement of the organization. With the demise of the Vietnamese threat, however, many observers are beginning to question the continuing viability of the ASEAN group. These suspicions are well placed. ASEAN's record in the area of economic cooperation is poor at best and dismal at worst.

Current initiatives at establishing an ASEAN Free Trade Area (AFTA) have not progressed well. At the July 1993 ASEAN Ministers Conference security issues dominated the agenda, with the announcement of the plans to develop a new forum to discuss security issues, the ASEAN Regional Forum (ARF). The international excitement with regard to this change of ASEAN's long-standing policy of relegating security issues to venues outside ASEAN overshadowed the lack of progress on AFTA. In typically nebulous ASEAN language the press communique confined its remarks to "a desire to see the smooth and swift implementation of AFTA."[467] The question of whether the political leaders of ASEAN have reached the point of being able to sufficiently close the gap between what they want and what they are willing to accept and implement in pursuing ASEAN's stated economic cooperation objectives is one that has yet to be answered with any certainty. Some thoughtful observers conclude that AFTA is likely to go the way of earlier cooperative efforts due to political incapacity.[468] In a uniquely ASEAN statement of the difficulties, Bilson Kurus quotes a recent statement of Malaysian International Trade and Industry Minister Datuk Rafidah Aziz. "Let it not be said of ASEAN that the spirit is willing but the flesh is weak."[469] Time will tell. Based on its track record since 1967, "weak flesh" may triumph once again.

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[466] "Premier: Nations Interests 'Firmly' in SE Asia," *The Straits Times*, January 25, 1993. Published in *FBIS East Asia Daily Report*, January 25, 1993, p. 40.

The newly announced ASEAN Regional Forum seems a logical venue to pursue multilateral security discussions. The Forum, however, should not be expected to progress much beyond discussion for some years to come. One should expect it to retain the core characteristics of the ASEAN organization which spawned it. This minimalist consensus style which results in "lowest common denominator" solutions, should not be expected to produce results which significantly enhance multilateral military cooperation. Singapore remains wary of multilateral arrangements for security. Prior to the July meetings, a Singaporean defense expert, commenting on US enthusiasm for multilateralism in Asia is reported to have remarked:

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[467] Michael Vatikiotis, "Uncharted Waters," *FEER*, August 5, 1993, p. 11.
[468] Bilson Kurus, p. 38.
[469] Ibid, p. 38.

> The US is now pushing this policy for the wrong reasons. It will be a way for them to reduce their forces and allow regional states to take the lead...They could also use the forum to push other issues like trade and human rights.[470]

The ARF is likely to become a venue for diplomacy rather than substantive military cooperation, which will remain largely confined to bilateral ties. This suits Singaporean concerns far better than a real multilateral arrangement which would impinge on its bedrock principles of sovereignty. Singapore's Ambassador at large and former Ambassador to the United States had the following comments following the announcement concerning ARF, made perhaps to blunt expectations of rapid movement toward security cooperation in Southeast Asia:

> The Asian preference, unlike the Western preference, is to take a very non-legalistic approach to things. We take actions step by step and allow things to evolve, rather than sit down and say, *a priori*, we want to create an institution, this is our charter, this is our mission statement.[471]

As Southeast Asia moves toward the new century, ASEAN seems to have increasingly less relevance. Singapore will remain committed to the "ASEAN spirit" of unity and filter its policy initiatives through the principles upon which the organization is based. The psychological advantages of ASEAN are not to be underestimated. The group, while falling short of many of its stated objectives, has succeeded in establishing a regional identity in an area of disparate interests. The success of ASEAN is in providing a sense of connectedness and minimizing the possibility of regional misunderstanding. This function should continue undiminished. The resolution, however superficially, of the controversy concerning the ECAC, is an example of the utility that ASEAN still retains.

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[470] Michael Vatikiotis, "Forging Stronger Links," *FEER*, April 29, 1993, p. 26.

[471] Op. Cit. in Steven Holmes. "U.S. is Seeking New Trade and Security Links With Asian Nations," *The New York Times*, August 16, 1993, p. A5.

Despite the prerogatives of ASEAN membership, Singapore, and particularly Lee Kuan Yew, is not above making statements that may generate a significant amount of controversy. One pointed example of the Senior Minister's penchant for "purveying hard truths" is a 1992 speech Lee made in Manila. In what the Far East Economic Review called "a rare example of Asean statesman publicly expressing divergent views" Lee devoted part of his speech to the need for more discipline in the Philippines rather than more democracy:

> Contrary to what American political commentators say, I do not believe that democracy necessarily leads to development. I believe that what a country needs to develop is discipline more than democracy. The exuberance of democracy leads to undisciplined and disorderly conditions which are inimical to development.[472]

While Lee's remarks sparked predictable public outrage in the Philippines, which had suffered mightily under the Marcos regime, many in the Philippines thought Lee had hit the mark all too accurately. In a *FEER* editorial one unnamed former Philippine cabinet officer was quoted as saying, "If you ask me formally I would say I was outraged. But if you do not use my name I would tell you we are all saying of course he is exactly right."[473]

In 1993 Philippine President Ramos paid a state visit to Singapore to cement bilateral ties between the two, announcing that many of the privatization goals of his government had been realized and offering evidence that the new policies of his government had opened opportunities for Singaporean investment in the Philippines. He stated that the Philippines had much to learn from Singapore's experience and at the same time Singapore had much to offer in terms of opportunities to boost economic expansion.[474]

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[472] "The Fifth Column, Discipline Vs Development," *FEER*, December 10, 1993, p. 29.
[473] "Mr. Lee goes to Manila," *FEER*, December 10, 1993, p. 4.

The Thai Prime Minister, Mr. Chuan Likphai, also visited Singapore in 1993 where he met with both the Prime Minister and Lee Kuan Yew. The Thai PM stated that Singapore and Thailand could both compete and cooperate for mutual benefit. The large delegation of Thai businessmen which accompanied the Prime Minister highlighted the desires of the respective business communities to "team up." Prime Minister Goh called on Thailand to lead the way in the realization of AFTA by cutting tariffs more quickly. Goh also thanked the Thai government for providing training for Singaporean troops. The Thai Prime Minister praised Singapore's efforts to expand investment in Indochina and endorsed Prime Minister Goh's initiative to pursue expansion of the "growth triangle" concept to encompass more partners.[475]In July 1993 Singapore posted a trade officer to Bangkok, opening a Trade Development Board (TDB) there. The Bangkok office was the twenty-fifth in Singapore's overseas network and reflects the higher profile accorded to bilateral relations. Total trade between the two nations more than doubled from 1987 and 1992 and Thailand took sixth place as a market for Singapore's non-oil exports.[476]

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[474] "Ramos Addresses Conference," Text of Singapore Broadcasting Corporation 1100 GMT, February 12, 1993. Published in *FBIS East Asia Daily Report*, February 16, 1993, p. 45.

[475] See *FBIS East Asia Daily Report*, March 23, 1993 for a number of reports on the visit of the Thai delegation.

[476] "Trade Officer Assigned to Thailand." *Business Times* (Singapore), July 14, 1993, p. 2. Published in *FBIS east Asia Daily Report*, July 15, 1993, pp. 35-36.

All these trends in ASEAN with regard to Singapore point to more bilateral cooperation and less emphasis on the ASEAN forum. Singapore, by virtue of its more advanced economy and different comparative advantages is moving to exploit its service skills to prosper from regional development. While Bangkok may still entertain visions of becoming the "hub city" of continental Southeast Asia, Singapore is by no means willing to concede that position. With its desire to be the center of commerce and finance in all of Southeast Asia undiminished, Singapore can be expected to follow policies that support such a goal, yet with attention to regional sensitivities. The ASEAN format does not offer the advantages of bilateral ties for establishing mutually beneficial relationships. This is due mainly to manner in which bilateral arrangements might affect other ASEAN states.

Indochina and Myanmar

Singapore has jumped into the emergent Vietnamese market enthusiastically. The formal investment ban on Vietnam and Cambodia was lifted following the developments of late 1991 when the Supreme National Council of Cambodia occupied Cambodia's seat in the UN and Prince Sihanouk returned to Pnom Penh.[477] Singapore opened its embassy in Hanoi in September 1992. This was followed in March 1993 by the establishment of a consulate in Ho Chi Minh City (formerly Saigon). Singapore has become Vietnam's largest trading partner in the last few years with 1992 two-way trade totaling S$1.7 billion.[478] Singapore Telcom, the giant government-linked telecommunications corporation, has established commercial agreements for joint development projects in Vietnam.[479]

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[477] "Vietnam, B. Foreign Investment Projects," *The Asian Recorder*

[478] "Government opens Consulate in Ho Chi Minh City," Text of Singapore Broadcasting Corporation 1100 GMT, March 8, 1993. Published in *FBIS East Asia Daily Report*, March 10, 1993, p. 40.

Singapore businessmen are also involved in numerous infrastructure development projects in Vietnam. United Land and Trading (ULT) announced a US$600 million project for the development of 'up market' housing units near Ho Chi Minh city, with attendant parks and recreational complexes to be located near developing industrial estates. The project is designed to serve the needs of foreign businessmen in a Singapore-like setting near Ho Chi Minh City. ULT was incorporated in 1973 by ten Singaporean companies and individuals for the specific purpose of penetrating the Vietnamese market.[480] Singapore and Vietnam also signed an environmental cooperation agreement in May 1993. The accord included training agreements and Singaporean pledges to assist the Vietnamese with the development of legislation and institutional frameworks to manage and control the environment. In the statement announcing the agreement, a letter of intent between a Singapore Environmental Engineering firm was announced to explore joint ventures for commercial opportunities in environmental monitoring, assessment and control.[481]

Statistics released in the first quarter of 1993 indicate that approximately three-quarters of Singapore's trade with Indochina was with Vietnam. The first quarter figure of S$683.5 million for the aggregate trade with Indochina represented a 5% increase from the last quarter of 1992. This trend of expanding trade can be expected to continue in the near term if the political trends continue to stabilize in Indochina. With no ideological encumbrances to inhibit them, Singaporeans can be expected to aggressively pursue economic opportunities in these nations. A concomitant level of political attention should be expected as well.

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[479] "SRV Signs Telecommunications Accord," Text of Singapore Broadcasting Corporation 1400 GMT, April 6, 1993. Published in *FBIS East Asia Daily Report*, April 7 1993, p. 41.
[480] "Group to Construct S600-Million Township in SRV," *The Straits Times*, April 21, 1993, p. 36. Published in *FBIS East Asia Daily Report*, April 22 1993, pp. 31-32.
[481] "Environmental Agreement Signed With Vietnam," *The Straits Times*, May 15, 1993, p. 1. Published in *FBIS East Asia Daily Report*, May 17 1993, pp. 37.

Even pariah state Myanmar sought Singaporean assistance in opening its economy. A 22 member Myanmar ministerial delegation, led by Lieutenant General Khin of the ruling State Law and Order Restoration Council (SLORC), visited Singapore in mid-1993 seeking development assistance. General Khin was received by the Prime Minister, Senior Minister Lee Kuan Yew and Deputy Prime Minister Lee Hsien Loong. The Singapore Foreign Ministry announced that Singapore would help Myanmar open up its economy and work towards a representative government. In its statement, the Ministry said it hoped that economic development would enable Myanmar to make orderly progress towards an open government and economy. This would enable Myanmar to rejoin the regional community and thereby contribute to stability.[482]

The United States

Of Singapore's relations with the extra regional powers, the relationship with the United States is clearly the most important. This is by reason of economics and geo-strategic view.

The United States is the largest foreign investor in Singapore. Singapore is the only Southeast Asian country where investment from the United

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[482] "Ministry: Government To Help Burma Open Economy," The *Straits Times*, May 29, 1993, p. 3. Published in *FBIS East Asia Daily Report*, June 4, 1993, p. 3.

States still outstrips that of Japan. Twenty-three percent of Singapore's exports go to the United States and only 8.6 percent to Japan.[483] Investment by US companies in Singapore soared in 1992 to S$1.2 billion, a 24% increase from the previous year. Japanese investment also rose 18%, to S$843.5 million, but Japanese cumulative investment lags far behind that of US companies.[484] Singapore has been vocal in its preference for American investment over Japanese. American companies are viewed as offering better opportunities than Japanese, with more Singaporeans advancing to management roles.[485]

There is little question that Singapore has been the most vocal and most practically supportive of the United States maintaining its military presence in Southeast Asia. The statements of Singapore's leaders, in a variety of forums, make it abundantly clear that they consider the US presence vital to the stability and continuing progress of Southeast Asia and the Asia-Pacific as a whole. Lee Kuan Yew expressed Singapore's geo-strategic views clearly in a recent address, quoted here from a *Straits Times* report :

> If they [the US] pack up, then all the ancient suspicions and animosities between Japan and China, Japan and Korea, Korea and China, and the fears of ASEAN for China and Japan will shift focus from the positive which we have achieved to defence and security which is a zero sum game. [486]

Lee outlined what he saw as the possible outcomes of such a situation, a merger of Japan and China or takeover of one by the other:

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[483] *Regional Outlook: Southeast Asia*, (Singapore, Institute of Southeast Asian Studies, 1993).

[484] G. Pierre Goad, "Despite Competition, Singapore Posts Rise in Foreign Investments," *Asian Wall Street Journal*, February, 8, 1993, p. 19.

[485] See, "Singapore, Can Uncle Sam bounce back?" (interview with Lee Kuan Yew) *U.S. News and World Report*, December 21, 1992, pp. 74-75.

[486] "Minister Urges U.S. To Maintain Asian Presence," *The Straits Times*, May 16, 1993. Published in *FBIS East Asia Daily Report*, May 18, 1993, p. 18.

> In other words a colossus so big that the US, and for that matter Europe, will not be able to balance its weight. [Lee went on to argue that the best way forward was for the United States to take advantage of the fact that it was the most trusted in the Pacific] That is an asset not to be thrown away.[487]

Singapore's strategic location plays prominently in the growing military relationship between the two countries. This will be explored more fully in the following section on defense. Diplomatically, Singapore brooked a significant amount of regional scrutiny over its expansion of access to Singapore for US military units. The initial Memorandum of Understanding for such access was signed shortly before the succession of Goh Chock Tong, by Lee Kuan Yew and then Vice President Dan Quayle on November 13, 1990.[488] In January of 1992, President Bush visited Singapore and announced that the United States and Singapore had reached agreement on terms for the transfer of the Naval Logistics Command (CTF-73) from Subic Bay to Singapore in 1993. The President committed himself to engagement in the Asia-Pacific area and stated that the United States was "unalterably opposed to isolationism." President Bush thanked the Singaporeans for their "far-sighted approach to the security requirements of a new era."[489]

Malaysia reacted by stating that it would keep a close watch on US plans. The Deputy Foreign Minister, Dr. Abdullah Fadzil, indicated that Malaysia and its ASEAN partners would oppose any move to set up an American naval base in Singapore because it would be against ASEAN's concept of a zone of peace freedom and neutrality (ZOPFAN). He elucidated that Singapore was aware of regional sensitivities and expressed confidence that Singapore would not deviate from the provisions of the 1990 MOU which allowed US ships to use its facilities for repairs.[490]

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[487] Ibid, p. 18.

[488] For an excellent discussion of Singapore's rationale behind its initiative see Bilveer Singh, "American Military Facilities in Singapore: Enhancing The Creation of Zone of Peace, Freedom and Regional Security," *Asian Defence Journal*, January, 1991, pp. 16-19.

[489] "A. US Use of Naval Facilities:" *Asian Recorder*, February 26 - March 3, 1993, pp. 22176-22177.

The diplomatic talk of "playing nice" demonstrated by the Malaysian government and invoking the ZOPFAN concept was a soft-pedal on what was clearly Singapore's final abandonment of the principles that the ZOPFAN declaration represents. Faced with the closure of the US Philippine bases and a situation similar to the British withdrawal East of Suez, Singapore "put its money where its mouth is."[491] Indeed, Bilveer Singh, a lecturer at the University of Singapore and Singapore's most prolific writer on defense issues, published an extensive piece in the influential *Asian Defence Journal* (published in Kuala Lumpur) which called strongly for the abandonment of the impractical and unrealized ZOPFAN in favor of a Zone of Peace, Freedom and Regional Security (ZOPFARS). The article explained Singapore's rationale behind the decision to host limited US military facilities and argued persuasively that regional realists should rethink the concept of the Zone in light of two factors:

> 1. The external great powers cannot be wished away due to their regional interests, on the one hand, and due to their power interests on the other.
>
> 2. Many states in the region see the presence of external great powers as the minimal necessary condition for their national security. Thus no matter how often affirmative ZOPFAN declarations are made, they are meaningless as they do not sincerely represent the security requirements and responses of the different states of the region. It remains a Utopia.

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[490] Ibid, p. 22177.

[491] Bilveer Singh, "American Military Facilities in...," p. 19.

> While all states aspire for peace and freedom, the neutrality element has been divisive and has made the ZOPFAN concept an unrealisible ideal.[492]

Singapore will clearly exercise its sovereign right to do what it thinks is necessary to guarantee its security, regardless of regional opinions concerning the arrangements it makes. The presence of US forces works to the advantage of both partners and its less parochial nature, compared to the more client-patron oriented relationship in the Philippines, is more appropriate for the new era of Asian assertiveness. While Singapore may be somewhat less compliant and patronizing than the Filipinos once were, their very independence bodes well for a relationship based on shared interests. This should minimize Asian accusations of "hegemonic" designs on the part of the United States. If Singapore has gained nothing else in Asia in the past twenty-eight years, it has certainly gained the respect of its neighbors for being an independent player which acts in its own interests without yielding to pressure from extra-regional patrons. The United States has obtained a valuable partner, not a client, in its new arrangements with Singapore.

Politically, Singapore seems somewhat less sanguine about the new administration in Washington. Clinton election rhetoric aroused Singaporean suspicions concerning the tack the new administration would be taking on both security and economic issues. Just after Mr. Clinton's inauguration the *Straits Times* ran an editorial entitled "Looking Past Clintonism" that outlined three hopes concerning the new US President:

> Hope No. 1 is that Mr. Clinton disabuses everyone of the notion that he is flakey [sic], and given too readily to bending to populism. His flip-flop on tax policy even before assuming office has been unnerving. Early intimations of a weak will? During the campaign, an inclination to say

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[492] Ibid, p. 19.

> different things to please different audiences when a position was supposed to be immutable will now be scrutinised by all nations for clues to his moral resolve and intellectual integrity.
>
> Hope No. 2 centers on his oft-criticised propensity to duck foreign issues as being troublesome and distracting to his stated mission of putting America right first ... how quickly he exercises world leadership in these far from comforting times will shape post-Cold War permutations.
>
> Hope No. 3 is that he does not make a hash of the China policy. Ex-China envoy Winston Lord...is said to be hawkish about applying pressure on the Chinese to extract compliance with democratic ideals, such as more humane treatment of political dissidents....it gets harder to define how the Clinton Administration would reconcile idealism with the cold facts of geopolitical and economic change.[493]

On this last point Lee Kuan Yew categorically stated that a strong push for human rights and democracy would be "the greatest error that could be made. You're not going to change either China or Indonesia or any of these old countries overnight."[494]

Clinton's economic plan and deficit reducing measures were generally well received in Singapore. Clinton was viewed as exercising considerable political courage in the measures he proposed to address the structural difficulties inherited from his predecessors. The political costs of such initiatives, including defense cuts and unpopular tax hikes, however, were viewed as endangering Mr. Clinton's electoral base. His ability to sell the American people on the necessity of such measures was seen as the linchpin of the Clinton program.[495] While there are significant philosophical differences in the world-view of Singapore and the United States, particularly with regard to issues of democracy and human rights, common economic and security viewpoints provide a measure of confluence which should spell for productive relations as the new century approaches.

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[493] "Looking Past Clintonism," *The Straits Times*, January 22, 1993. Published in *FBIS East Asia Daily Report*, January 25, 1993, p. 54.

[494] "Push for democracy in Asia by Clinton would be a big mistake - SM," *The Straits Times Weekly Overseas Edition*, January 24, 1993, p. 5.

[495] "So Americans Must Pitch In," *The Straits Times*, February 22, 1993. Published in *FBIS East Asia Daily Report*, February 22, 1993, p. 41.

Japan

Singapore's policy with regard to Japan is rather schizophrenic. The legacy of the occupation has not died in Singapore. However, it is difficult to distinguish genuine apprehension in Singapore concerning rising Japanese influence from the convenient use of the World War II club to beat the Japanese over the head. It seems that in many instances Singapore uses this tool to force concessions from Japan by appealing to Japanese guilt. In this, the Singaporeans have clearly shown a masterful hand, although one can debate how much they have gained through such tactics. The ubiquitous Mr. Lee has frequently chastised the Japanese for not following the German example of "being frank and open about the atrocities and horrors committed" in the war. Lee made the above comments in a speech before a conference of Japanese business leaders in Kyoto, adding that because the Japanese have failed to educate their young people concerning the behavior of Japanese forces during the war, "the victims suspect and fear that Japan does not think these acts were wrong, and that there is no genuine Japanese change of heart."[496] The new Prime Minister recently opened an exhibition of photographs and other record of the occupation characterizing the period as one of "terror, fear and atrocities."[497]

Former Prime Minister Miyazawa's Southeast Asian tour in early 1993 drew calls from the *Straits Times* for a policy which would clarify Japan's policy for Southeast Asia in two areas, security and economic expansion. Pointing out that Japan and security was still an unwelcome mix to many Asian governments, the *Times* echoed Lee's calls for educational changes in Japanese schools and acknowledgment of atrocities and action on wartime topics such as the comfort women issue. It called for guarantees that Japan would not fill any security vacuum left by departing US forces and urged the Japanese to reaffirm their commitment to US forces in Asia. In the economic sphere the *Times* urged action to increase Japanese imports and address the huge trade surplus with the United States. Highlighting the lack of progress with regard to its surpluses with the United States, the editorial noted that Japan's Asian trading partners had even less clout to extract concessions and pointed out that, in non-oil exports, Japan maintained trade surpluses with all Southeast Asian countries. "It hurts Japan if it is seen in these countries as being rapacious," the *Straits Times* editorial concluded.[498] Miyazawa was similarly condemned by Singapore's leading Chinese language daily for not expressing contrition during his trip and sidestepping wartime issues in his regional speeches. Commenting on Miyazawa's proposal for an international forum to map out a development strategy for the reconstruction of Indochina, the daily cynically indicated that Japan would no doubt reap the economic gains from such a plan itself.[499]

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[496] Michael Richardson, "Regional Mistrust Increasing," *Asia-Pacific Defence Reporter*, April-May 1992, p. 34.
[497] Ibid, p. 34.

Prime Minister Goh visited Japan in May of 1993, following meetings in Singapore with Japan's Trade Minister Mori, during which joint high-tech training initiatives were discussed. Goh's statements just prior to his departure merit some examination. Just prior to departing for Japan, Goh expressed his support for Japan's bid for a seat on the UN Security Council, "if the UN decides to restructure the Security Council." Goh expressed concern that Japanese investment in Southeast Asia might be diverted to China and Vietnam. He also indicated that Singapore would consider joining NAFTA, announcing that if an invitation was forthcoming, Singapore would seriously consider it. The Prime Minister indicated that President Bush had envisioned expanding NAFTA to "some Asian countries with good trading records."[500]

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[498] "Would Japan Act Mature?," *The Straits Times*, January 16, 1993, p. 34. Published in *FBIS East Asia Daily Report*, January 19, 1993, p. 21.

[499] "Chinese Paper Disappointed With Miyazawa Visit" text of a broadcast by Tokyo Kyodo, 0705 GMT. Published in *FBIS East Asia Daily Summary*, January 21, 1993, p. 36.

While in Japan the Prime Minister delivered the keynote address at the Asia Society Conference on Asia's Role in the Changing World Order in Tokyo. In the address Goh called attention to the US-Japan relationship as crucial to the stability of the Asia-Pacific region. Goh called on Asian countries to open their markets to US exports. "It is in Asia's self-interest to help restore America's economic competitiveness," Goh stated. His assessment of Japan's uncertain foreign policy comes through clearly in his remarks:

> No longer is Tokyo willing to simply bankroll US leadership without due consideration of its distinct national interests and enhanced global status. At the same time, not all Japanese agree what precisely those interests entail. Japan's reach and aspiration are global. But they are vague. They cannot be made clear for a number of reasons. Since the Gulf War, Japan's leaders have come under external pressure to shoulder a greater burden for international security in the midst of a domestic controversy that has left it with a weakened political leadership. Japan is under further pressure from the US to redress the economic imbalances at the same time it is trying to cope with a serious economic recession. In the build up to the G7 summit, Tokyo - the host - was suddenly confronted with pressures to

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[500] "Goh Supports Japan's Bid to Join UN Security Council," text of a broadcast by Tokyo Kyodo, 1215 GMT. Published in *FBIS East Asia Daily Summary*, May 5, 1993, p. 33.

switch the policy on Russia. The prospect of a nuclear armed North Korea created another diplomatic crisis.[501]

Goh highlighted three major uncertainties in Japan's strategic future: 1) the apparent downgrading of the US-Japan strategic relationship by the Clinton administration; 2) the emergence of a powerful China and; 3) difficulties and uncertainty in Russia. Goh called upon Japan to discuss these uncertainties with Asian nations to define the parameters of Japan's global involvement to ensure that Japan's new role would be clearly understood and welcomed.[502]

The advent of a new government in Tokyo seems to have resulted in a "wait and see" attitude in Singapore. New Japanese Prime Minister Hosokawa's open expression of remorse and apology were well received in Singapore.[503] Singapore went so far as hosting a group of forty Japanese teachers to expose them to the horrors of the occupation through interviews with some Singaporean survivors.[504] While rhetoric in Japan concerning electoral reforms to inhibit corruption is also well received in Singapore, the underlying currents of cynicism remain. Singapore does not expect Japan to change its ingrained policy of insular protection of its own interests, often seen to operate at the expense of its neighbors. Where cooperation with the Japanese will produce tangible benefits for Singapore, the government will take advantage of such opportunities. While rhetorically the Singaporeans will continue to oppose unilateral Japanese security initiatives, Japan as a balancer for the growing capabilities of China, as long as it confines its attention to East Asia, would probably not be unwelcome. In this regard, a healthy Japan-US security relationship is seen as vital. The ASEAN Regional Forum may provide a useful venue for keeping lines of communication open concerning Japanese security interests.

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[501] "The 5th Column, Asia's New World Order," text of Goh's address in Tokyo May 13, 1993 published in *FEER*, May 18, 1993, p. 25.

[502] Ibid, p. 26.

[503] "S'pore welcomes Japanese Apology," The *Straits Times Weekly Overseas Edition*, August 29, 1993, p. 5.

[504] "Japanese teachers here to learn about S'pore war-time experience," *The Straits Times Weekly Overseas Edition*, August 29, 1993, p. 5.

China, Hong Kong and Taiwan

Singapore generally views China with less apprehension than do Western nations and other Asian nations. It is probably not inaccurate to characterize Singapore's position as viewing Western manipulations with regard to Chinese "internal affairs" as the most cogent threat to stability in Asia. Since the resumption of diplomatic relations in 1990, Singapore has distanced itself from any notion of support for efforts to force reform upon the Chinese. This is not surprising, given the viewpoints of the PAP with respect to its own political system. Singapore's counsel to others concerned with the reformation of the Chinese system would be one of patience and respect. As the economy opens and Chinese venture overseas to educate their young people to compete in the global economy, reform is viewed as something that will take care of itself, albeit slowly and under the control of the CCP. It is not difficult to envision the CCP attempting to transform itself into a PAP type organ, as evidenced by Nicholas D. Kristoff's, (former New York Times Beijing correspondent) remarks concerning Beijing's admiration for the Singapore model.[505]

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[505] Nicholas D. Kristoff, "China Sees Key to Future In New 'Market Leninism'," *The New York Times*, September 6, 1993, Sect. A. p.1.

Lee Kuan Yew aroused the ire of some in Hong Kong and the British in late 1992 over proposed political reforms in Hong Kong. Lee had been invited to address the University of Hong Kong and in one interview advised Hong Kongers to back away from Governor Patten's constitutional reform plans. Lee was flayed for his remarks by the British who indicated he had failed to observe international diplomatic protocol by attacking the Hong Kong Governor in public and commenting on Hong Kong politics.[506]

In Singapore, Goh Chock Tong was asked whether Mr. Lee's remarks alluding to American and British attempts to use reform in Hong Kong as a lever to induce reform in China reflected the thinking of the Government of Singapore. Goh, in a display of commendable political acumen, replied that the Senior minister normally circulates important speeches to cabinet members, who give their comments freely. "Thus," Goh concluded, "the ministers shared the views expressed."[507]

In the same interview, Goh indicated that he believed that China would remain stable regardless of who eventually replaced Deng Xiaoping. Indicating that there was nothing to indicate that Chinese leaders were maneuvering in a way that would bring disturbance to China as the Chinese are "very fearful of disorder or 'luan' in Chinese."[508] When pressed for his assessment of whether there was a Western conspiracy to destabilize China the Prime Minister commented that reality was not as important as perception:

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[506] "Chinese war games," *Asian Recorder*, January 15-21 1993, p. 22854.
[507] "Premier: Nations Interests 'Firmly' in SE Asia," *The Straits Times*, January 25, 1993. Published in *FBIS East Asia Daily Report*, January 25, 1993, p. 41.
[508] Ibid, p.41.

> If the Chinese believe there is a Western conspiracy ... China is going to create problems over the political reforms of Chris Patten. So whether it is true or not is irrelevant. It's whether the Chinese believe it to be true.[509]

Singapore is attempting to maintain functional relationships with all the "Chinas" while biasing its public pronouncements toward the interests of the Beijing government. In the long term, it is apparent that Singapore envisions a situation where Beijing will be the center of power of the one China which will eventually emerge.

With regard to the China-Taiwan nexus, Singapore, along with the West, views this as a problem to be resolved by the respective parties and as such has maintained relationships on both sides of the Taiwan Straits. Singapore was careful to negotiate its continuing right to train its military forces in Taiwan as a part of the agreement to renew diplomatic ties with the mainland.[510]

In an interview with *The China Times* in February of 1993 Lee Kuan Yew advocated a policy of gradualism, expanding contacts between Taiwan and the mainland and encouraging bilateral economic and social interaction. Lee envisioned that such contacts would, in the next ten to twenty years, result in the development of empathy, understanding and a realistic assessment on the part of the two. By Taiwan participating in the economic development of the mainland a sense of reality would prevail on both sides, enabling negotiations to move forward without either side losing face. In response to the potential for mainland China to resort to economic "blackmail" should Taiwan become too dependent on the Chinese market, Lee estimated that a 20% figure for Taiwanese exports would be a figure that would not be too dangerous. Ever the promoter, he encouraged Taiwanese to invest through countries which have investment guarantees with Beijing, such as the ASEAN states. He stated that the Chinese would not hesitate to respond to Taiwanese attempts to declare independence with force and that it was his belief that the United States and Japan would not intervene in such a circumstance. Growing Chinese military capability was viewed as a foregone conclusion with the Chinese taking advantage of bargain-basement prices in the Soviet arms market. The sale of 150 US F-16's to Taiwan was seen as balancing recent Chinese acquisitions of Russian Su-27's.

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[509] Ibid. p. 41.
[510] "Jottings," *Asian Defence Journal*, November 1990, p. 110.

When asked if Singapore had been asked to act as a mediator in negotiations between the PRC and Taiwan, the Senior Minister indicated they had not, but he did not rule out such a role in the future, remarking that in such a case, "then our position must be completely fair to both sides. In other words, we cannot support one side against the other during negotiations."[511]

Singapore hosted meetings between China and Taiwan in April 1993 which resulted it little substantial progress between the two sides but were symbolically important. While Singapore did not play the role of mediator, the choice of venue is still significant.

At the same time these negotiations were in progress, Goh Chock Tong was leading a 27 member Singapore delegation on a 9 day trip through mainland China, discussing economic opportunities for Singaporean investors. Goh met with both President Jiang Zemin and Premier Li Peng. The *Straits Times* praised Mr. Goh's trip as a resounding success., building on previously cultivated connections to help Singapore participate with China as it worked "at being what could be the next century's only new superpower."[512]

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[511] "Lee Kuan Yew on Chins-Taiwan Reunification," *The Straits Times*, January 30, 1993 p. 3. Published in *FBIS East Asia Daily Report*, February 2, 1993, p. 36.

The Chinese connection is still a delicate issue in Southeast Asia and Singapore must balance its ardor for Chinese ties with its regional identity. The same editorial that characterized the trip as "Goh's China triumph," and waxed effusively on the opportunities available to Singaporean investors ended on a note of caution:

> It should not be overlooked that Singapore has an abiding interest in the economies of Southeast Asia, principally Malaysia and Indonesia. This is the home turf, the income stream from trade and investment has long flowed, and security links are firm.[513]

Peripheral Areas of Interest

Among other relationships, the Commonwealth ties of Singapore remain important, although at a far lower priority than those relationships previously discussed. The Five Powers Defence Arrangements remain in place and have actually enjoyed a resurgence recently. Singapore has been cultivating increased defense ties with Australia, whose vast territory is useful for training of Singapore's armed forces. Relations with New Zealand remain cordial as well.

Of interest with respect to Singapore's policy in the Middle East were statements in the press characterizing Clinton's striking of Iraq, in response to the revelation of the plot against former President Bush, as "careless." Singapore strongly supported the US-led coalition effort against Iraq in the Gulf War, consistent with its policy of opposing the violation of national sovereignty by force of arms. The tomahawk strike against Iraq was criticized because it: 1) was conducted prior to the firm establishment of Iraqi government complicity in the plot; 2) Recent experience in strikes to root out state terrorism (Reagan and Libya) were not particularly encouraging, and; 3) hitting Iraq while "allowing the Serbs the run of Bosnia as Muslims are being exterminated and pussyfooting over Israel's infractions against Palestinians in its occupied territories, the U.S. must concede it cannot rebut accusations of applying double standards."[514] The same editorial went on to label this last point "the lament of the Arab league." It cautioned against the alienation of the moderate Islamic and secular countries of the Middle East, citing that polarization of the region on religious grounds would work against a realignment of strategic alliances in the wake of the Cold War. While these may or may not represent the views of the government, it looks suspiciously like a convenient way to make hay in relations in both the Middle East and with its Islamic neighbors at the expense of the United States.

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[512] "Goh's China triumph," *The Straits Times Weekly Overseas Edition*, May 1, 1993, p. 12.
[513] Ibid, p. 12.

The non-aligned movement, which Singapore once haltingly embraced has all but disappeared from the foreign policy agenda. Goh traveled to Jakarta in 1992 to the 10th Non-Aligned summit and delivered an address that in barely couched terms questioned the credibility of the entire movement:

> I have no doubt that the credibility and reputation of NAM would be significantly advanced in line with an increase in the capability for problem solving...[515]

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[514] "Bravo or Bravado," *The Straits Times*, June 29, 1993 p. 26. Published in *FBIS East Asia Daily Report*, June 30, 1993, p. 37.

[515] "Singapore's Goh on NAM Credibility," Text of a broadcast by Jakarta ANTARA, 1512 GMT, September 2, 1992. Published in *FBIS East Asia Daily Report*, September 4, 1992, pp. 14-15.

Goh went on to remark that the NAM should concentrate in the future on working out realistic solutions to outstanding problems without abandoning the principled positions it takes on many issues such as in the Middle East and South Africa. Highlighting the lessons from the past when some members tried to "high jack" the movement by declaring the former Soviet Union as its natural ally, Goh urged that the NAM cooperate with the UN security council in the future "and be ruthlessly impartial in the future."[516]

E. Defense

With the exception of the new defense agreements for the expanded access to United States military forces to Singapore, defense planning in Singapore shows very little change in the 1990's under Goh's leadership. This is to be expected as Goh held the defense portfolio for quite some time before assuming the post of Prime Minister. Singapore also boasted one of the world's longest serving top military officers, Lt. General Winston Choo, who had served has Singapore's Chief of the General Staff for nineteen years. General Choo finally stepped down in 1992. The presence, previously discussed, of an increasing number of high ranking SAF reservists in the government also indicates that Singapore's defense policy is not likely to change much in the future.

Singapore will remain heavily armed and continue to upgrade its training and equipment to offset the advantages of its regional neighbors in terms of size. The SAF has identified two critical problems the as the new century approaches. First, shrinking manpower pools as the national service resource pool is already 30% less than its peak in 1976[517] Second there is a lack of training space as the island nation continues to develop and hands over land once used for military training to other uses.[518] A third area of concern is complacency among younger Singaporeans with regard to security measures who have no experience or memory of uncertainties or vulnerabilities.[519]

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[516] Ibid, p. 15.

Echoing recent calls in the United States for military service "jointness" Singapore's Minster of Defence, Dr. Yeo Ning Hong, recently commented that by the year 2000, the SAF will be a balanced and highly integrated force. After two decades of expansion and modernization, the emphasis will be on creating a force where the Army, Air Force and Navy work as one. Dr. Yeo indicated that the SAF's punch will come from heavier firepower of smaller-sized units comprised of better-quality soldiers who will be trained to exhibit superior initiative and exploit technology to the fullest. [520] One would expect the SAF to concentrate it efforts on C3I acquisitions and modernization of its existing force structure in the near term.

The Defense Budget

The unwavering commitment of Singapore to its defense is evidenced by the high budgetary priority it places upon defense expenditures. The Defense budget for 1991 was US$2.13 billion, just over 5% of GDP.[521]

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[517] Ministry of Defence (Singapore) Defence of Singapore 1992-1993, p. 65.

[518] "An Exclusive Interview with Dr. Yeo Ning Hong, Singapore's Defence Minister," Asian *Defence Journal*, February 1992, p. 14.

[519] Matthew Pereia, "Military to Be 'Highly Integrated Force, by 2000," *The New Straits Times* (Kuala Lumpur), July 1, 1993, p. 3. Published in *FBIS East Asia Daily Report*, July 6, 1993, p. 46.

[520] Matthew Pereia, Published in *FBIS East Asia Daily Report*, July 6, 1993, p. 45.

[521] Statistics from *The Military Balance 1992-1993*, The International Institute for Strategic Studies (London: Brassey's, 1992) p. 159-160.

Singapore's defense expenditures ranked third in Southeast Asia both in absolute terms and in percentage of GDP.[522] Singapore spent more on defense than giant Indonesia's US$1.55 billion and Northern neighbor Malaysia's US$1.7 billion.[523] While the Six percent of GDP cap remains operative in Singapore's defense budgeting, continued strong economic performance should enable the SAF to continue to upgrade its capabilities without significant fiscal encumbrance.

Modernization Programs

The Army has contracted with GIAT of France for the manufacture and purchase of its newly developed FH-88 155mm gun. 28 of these towed howitzers have recently been delivered. The ability of Singapore to manufacture these weapons indigenously is a significant new capability.[524] Recent reports indicate that the Army has taken delivery of 22 AMX-10 PAC 90 armored reconnaissance vehicles and 22 AMX-10P APCs.[525]

The Air Force (RSAF) concluded agreement with the United States to exercise its option for 11 more F-16 Falcons. The F-16s will be added to the seven that Singapore presently operates (one of its original 9 F-16s was lost in a training accident over the South China Sea in 1991 and another damaged). RSAF personnel will be deploying to Luke Air Force base in Arizona where the USAF's 832nd Air Division will be training RSAF crewman.[526] An upgrade program, similar to that of the A-4 Super Skyhawk program is planned for Singapore's F-5 aircraft.[527] Air defense systems have been bolstered by the replacement of aging Bloodhound missile systems with I-Hawks. The RSAF announced in 1991 that it is also in the process of upgrading the I-Hawks and that a number of shoulder launched SAM's would be purchased for evaluation and trials.[528]The Air Force has also acquired Fokker 50 Maritime Enforcer aircraft to shore up its deficiency in airborne ASW and maritime patrol capabilities. The RSAF presently has three[529], and may exercise an option for four more.[530] While the operational capability of these new aircraft is somewhat uncertain, as this is a relatively new area for the RSAF, the acquisitions do show Singapore's increasing concern with maritime patrol as a mission.

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[522] Chiaravallotti, Joseph R., *Southeast Asian perceptions of U.S. Security Policy in The Post-Cold War Era*, (Master's Thesis, Naval Postgraduate School, Monterey Ca., 1993), p. 34.
[523] *The Military Balance 1992-1993*, pp. 148 (Indonesia) &155 (Malaysia).
[524] For more on recent developments in Singapore's arms industries see David Boey, "Singapore Business Industry built on ambition, *Jane's Defence Weekly*, February 22, 1992, pp. 287-292.
[525] *The Military Balance 1992-1993*, p. 140.
[526] "RSAF Acquire Additional F-16 Fighting Falcons," *Asian Defence Journal*, September 1992, p. 102.

It is in the area of naval modernization that the most significant changes have been taking place recently in Singapore. Four of Singapore's six *Victory* class Missile Corvettes (MCVs) were built in Singapore. These units continue to be upgraded with the installation of improved fire control systems for the OTO-Melara 76/62 Super Rapid Guns and the Barak 1 ship point missile defense system ongoing.[531] It was announced in early 1992 that the RSN had signed a contract with Kockums of Sweden for four modern mine countermeasures vessels (MCMVs). The 47 meter craft displaces 360 tons and is based on a Swedish Landsort design. It is permanently equipped for both mine hunting and mine sweeping. Capable of speeds of 15 knots and equipped with a 40mm Bofors gun and computerized navigation and minehunting information systems, the MCMVs represent a significant addition to Singapore's maritime capabilities. The Landsort design is a state of the art system that represents years of development cooperation and extensive research and testing by the Karslkronavaret AB, KkrV and the Swedish Navy. The vessel has the capability to act as a control platform for remote-controlled minesweepers, offshore patrol vessels and anti-submarine warfare coordination. The MCMV's are made of Glassfibre Reinforced Plastic (GRP), using a special sandwich construction method.[532]

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[527] "An Exclusive Interview with Dr. Yeo Ning Hong,...,"p. 10-11.
[528] The JDW Interview (RSAF Chief B.G. Michael Teo), *Jane's Defence Weekly*, October 12, 1992, p. 684.
[529] *The Military Balance 1992-1993*, p. 160.
[530] "Budgets on the increase," *Jane's Defence Weekly*, February 22, 1992, p. 309.
[531] "Afloat in an uncertain market," *Jane's Defence Weekly*, February 22, 1993, p. 291

The project is being carried out by the Swedish firm in cooperation with Singapore Technologies Marine Ltd. (STM, formerly Singapore Shipbuilding and engineering, SSE). One vessel (RSS Bedok) was recently launched in Sweden. The ship is being outfitted in Sweden and will undergo sea trials before being delivered to Singapore in early 1994. The remaining three hulls will be built in Sweden and outfitted in Singapore by STM .[533]

STM recently completed upgrading the RSN's six Missile Gunboats (MGBs), lengthening the superstructures and installing a new prime mast with noise/deception jammers and a secondary mast with ESM equipment. Additionally, four Mk 36 chaff/flare dispensers were installed. Another development mentioned recently by Singapore's new Navy chief was a new series of patrol boats to be built by STM to replace four coastal patrol craft recently given to the Police Coast Guard. Upgrades will include improvements in navigation systems, communications suites, command and control systems and a larger naval gun.[534]

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[532] "Kockums MCMVs Ordered," *Asian Defence Journal*, February 1992, pp. 122-123.
[533] "First New Minehunter Launched in Sweden," *The Straits Times*, June 26, 1993, p. 2 Published in *FBIS East Asia Daily Report*, July 2, 1993, p. 23.

The navy is addressing the long ignored ASW problem with a training and development program. The MCVs have been equipped with variable depth sonar and torpedoes and there is increasing emphasis on ASW in exercises with nations (e.g. Australia) which can provide realistic training opportunities. Former Chief of Navy, Commodore Teo Chee Teo commented on recent efforts in the ASW area:

> The RSN has recently acquired an ASW capability with the commissioning of the MCVs, essential if we are to do the job of protecting our SLOCs. This is a difficult area of warfare, and we are very new to it. Exercising with submarines is also absolutely essential, and during the last two years we have conducted exercises with the submarines from several friendly navies...[535]

Commodore Teo's successor, Colonel Kwek Siew Jin recently commented that new naval acquisitions (MCVs, MCMVs and the RSAF MPAs) would make significant contributions to Singapore's seaward defense and SLOC protection. He emphasized that one of his priorities in his new position would be to ensure the development of a "balanced navy." Expanding, he explained that this means a force that is very high-tech in nature and manned by highly trained and motivated people with a full set of capabilities to meet air, surface and subsurface threats.[536]

The infrastructure of the Navy is also being improved. A new naval base is being built at Tuas in Jurong, to be completed in 1994. The Tuas facility will be designed to accommodate the RSN's "cutting edge" units, The MCVs and MCMVs, including repair facilities, supply depots, trainers and accommodation for naval personnel.[537]

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[534] "Navy Chief Discusses Creating a Balanced Force," *The Straits Times*, May 5, 1993, p.2. Published in *FBIS East Asia Daily Report*, May 6, 1993, p. 26.

[535] Naval Forces Talks to the Chief of the Singapore Navy," *Naval Forces*, Vol. XII No. 1, 1992, p.13.

[536] "Navy Chief Discusses Creating a Balanced Force," *The Straits Times*, May 5, 1993, p.2. Published in *FBIS East Asia Daily Report*, May 6, 1993, p. 26.

Bilateral and Multilateral Military Cooperation

The Armed Forces of Singapore, as an extension of the foreign policy of deterrence and diplomacy, place a high priority on cooperative relationships with both regional neighbors and extra-regional "friendly powers." As a small nation, these relationships are seen as enhancing regional and national resilience. Singapore maintains bilateral military ties, through various exercises with all the ASEAN states, (Thailand, Malaysia, the Philippines, Indonesia and Brunei) and extra-regional nations, the United States, the United Kingdom, Australia and New Zealand.[538] Recent developments in a few of these relationships bear further scrutiny.

Bilateral military exercises with Malaysia resumed after a two year hiatus in 1992.[539] While bilateral military cooperation between the two will probably always be limited and subject to the prevailing political winds, this is an encouraging development. Bilateral exercises have been confined to the air forces and navies of the two.

Singapore's relationship with Indonesia has flourished recently. Within weeks of the announcement of that the United States was permanently leaving Clark Air Base and the Crow Valley instrumented range, Indonesia and Singapore announced that they would jointly pay for and develop an Air

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[537] Guy Toremans, "The Republic of Singapore Navy," *Naval Forces*, Vol. XII, No. 1, 1992, p.12.

[538] Bilveer Singh, "ASEAN and the New Security Framework in the Asia-Pacific Region," Asian *Defence Journal*, December 1992, pp. 16-19.

[539] "Hussin Mutalib, "Singapore in 1992," *Asian Survey*, Vol. XXXIII, No. 2, February 1993, p. 199.

Combat Maneuvering Range in eastern Sumatra, for air-to-air combat training. With a completion date sometime in early 1994, the facility would greatly enhance the air combat training of the two countries air forces. The two have been sharing another site, the Siabu Air Weapons range (for air-to-ground practice) in Sumatra since 1989. Dr. Yeo, Singapore's Minister of Defence, stated that use of the new range by other air forces would be discussed with Indonesia.[540] Jakarta and Singapore signed an agreement to combat regional piracy in August 1992 under which the respective navies would coordinate patrols and give the right of hot pursuit into each other's territorial waters.[541] In 1990 Singapore and Indonesia set up a Joint Training Committee (JTC) to guide the development of defense projects between the two nations. Singapore's Chief of Defence Forces, General Ng Jui Ping, recently commented on the warm ties that were developing as a result of the recent bilateral initiatives. Dr. Yeo, Minister of Defence (Singapore) awarded Indonesian Vice Marshall Rusdy, assistant for general planning to the Indonesian Armed forces commander, the Meritorious Service Medal for his "enduring contribution in helping to forge excellent ties between the Indonesian Armed Forces and the SAF."[542] Somewhat ironically, it was after the award ceremony, outgoing Malaysian Defence Chief, General Tan Sri Yaacob Mohamed Zain mooted the similar Joint Training Committee for Malaysia and Singapore earlier mentioned.[543]

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[540] Michael Richardson, "Asia adjusts to US-Philippine bases deal," Asia-Pacific Defence Reporter, September 1991, p. 10.
[541] "Jakarta, Singapore Reach Landmark Agreement, *Asian Defence Journal,* September 1992, p. 102.
[542] "Officials Hail Joint Exercises With Indonesia," *The Straits Times,* February 11, 1993. Published in *FBIS East Asia Daily Supplement,* February 12 p. 34.
[543] "Defense Chief Welcomes Malaysian Joint Committee," *The Straits Times,* February 11, 1993. Published in *FBIS East Asia Daily Supplement,* February, 12 p. 35.

Singapore recently concluded an agreement with Australia to establish a flying school for RSAF pilots at RAAF Pearce, a base in Western Australia near Perth. The Memorandum of Understanding was signed in Canberra in March 1993. The relocation of part of Singapore's Flying Training School (FTS) to Pearce will alleviate many of the difficulties posed by local airspace restrictions in Singapore. The professional interaction of the trainees and instructors of both services was also viewed as a positive benefit of the move.[544] Australia also announced in May 1993 that it planned to offer use of its new army training facilities being developed in the Northern Territories to the SAF. During a visit to Singapore, Australian Chief of Defence Force (CDF), Admiral Alan Beaumont commented on the increasingly close ties with Singapore and the mutual benefits of such arrangements. Singapore and Australia also recently (March 1993) signed a defense science and technology agreement for increased cooperation in defense research[545]. The RSAF and Singapore Army are permitted to conduct both joint and unilateral training in Australia.[546]

The Australia connection brings up Singapore's (and indeed Southeast Asia's) only multilateral military arrangement, the FPDA. This "arrangement" has enjoyed something of a resurgence in the post-Cold War environment. The FPDA has recently expanded its naval exercises. The yearly Exercise 'Starfish' has been broadened to include coordinated operations in surface warfare, ASW, and anti-air warfare.[547] The FPDA based IADS system is still the centerpiece of regional air defenses and there has been discussion of extending the IADS system to cover Eastern Malaysia and including Brunei in the arrangement.[548] To Singapore the main utility of the FPDA is political and psychological rather than military. It is curious indeed that in its international promotion booklet, Singapore states that the FPDA, which is after all a military grouping, is *not only* an important political and psychological deterrence [sic] *but also* provides a real military deterrent through the IADS...[549] BG Lee, speaking in 1989 probably highlighted the real significance the pact once had. Lee remarked that the presence of extra regional partners who were tied by "other alliances" could not help but provoke some reaction from these partners allies.[550] In this very thinly veiled reference to the United States through its ANZUS ties, there is little doubt to whom he was referring. For Singapore, the utility that the FPDA once had, the potential to involve the United States in regional security issues, may now be irrelevant with the signing of the 1990 MOU. Chin Kin Wah, a lecturer and writer at the National University, had the following remarks concerning the FPDA:

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[544] "RAAF-RSAF Partnership Gets Stronger," *Asian Defence Journal*, May 1993, p. 82.
[545] Ibid, p. 83.
[546] "Australia to Offer Air Force New Training Site, *The Straits Times*, May 26, 1993, Published in *FBIS East Asia Daily Supplement*, May 27, 1993p. 22.
[547] Five Partners Continue to Provide Regional Stability," *Asian Defence Journal*, October 1992, pp. 8-9.

> The FPDA has been unobtrusive but not irrelevant, selectively revitalized but not expanded. Its durability owes much to its own flexibility and adaptability. Whether it will go through further renewal or even expansion will depend on its versatility, relevance and perhaps even efficacy in a new and more complex setting.[551]

While the operational utility of the FPDA may be now largely irrelevant for Singapore, the value it provides in training opportunities and the utility it plays in maintaining functional relations with Malaysia through difficult political periods make it useful enough to be retained and even enhanced. While of doubtful significance in the event of conflict, the FPDA provides enough advantages to merit its retention as the new century approaches.

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[548] See K.U. Menon, "A Six-Power Defence Arrangement in Southeast Asia?," *Contemporary Southeast Asia*, Vol. 10, No. 3. December 1988, pp. 306 -327,

[549] *Singapore Facts and Pictures 1992*, p. 114.

[550] "The FPDA and Regional Stability," *Asian Defence Journal*, February 1990, p. 31.

[551] Chin Kin Wah, The Five Power Defence Arrangements....." p. 203.

Defense Relationship With the United States

Singapore's strategic location is recognized by both the United States and Singapore. The relationship between the two nations is now particularly germane to US security planners as US forces in Singapore represent the United States only permanent military presence in Southeast Asia. Since the closure of Clark and Subic in the Philippines, Singapore has become a more critical link it the resupply and support of the US Indian Ocean base at Diego Garcia. That facility was critical in the execution of both the Desert Shield/Storm operation and recent relief efforts in East Africa. Potential conflicts involving Singapore would certainly involve the United States diplomatically and perhaps militarily, to bring an end to any confrontation that might endanger American lives and property or interfere with US forces operating from Singapore.

The U.S. Navy exercises yearly with the RSN in the 'Merlion' series. The USAF also conducts exercises with the RSAF. As noted previously, many RSAF F-16 pilots are trained in the United States. The vast majority of Singapore's arms imports come from the United States. From 1987-1991 Singapore's total arms imports were valued at $US 1.276 billion. Of that total, US$1.031 billion, or over 80% came from the United States. This not only results in significant economic benefit for US defense industries, but also has armed Singapore with equipment which is interoperable with that of the

United States. Writing of the acquisition of the E-2C Hawkeyes, one analyst commented:

> ...the acquisition of these aircraft would have been partly intended to indicate that Singapore was a reliable friend of the United States, and was willing to take up a share of the burden of regional defence.[552]

Still the Singaporeans are not shy about acquiring technology from other sources. When denied software codes for a new electronic (EW) warfare system it had planned on purchasing from Litton Systems by the United States, the RSAF opted to buy an Israeli manufactured Elisra package.[553]

In moving to the strategy of "places not bases" as described by the Commander of U.S. Pacific forces, Admiral Charles R. Larson,[554] Singapore has become a key "place." Singapore's very forthcoming approach, as exemplified in the 1990 MOU and the Bush-Goh agreement in 1992 has encouraged similar, if less extensive support agreements from neighbors Malaysia and Indonesia. Jakarta and Kuala Lumpur announced that US Navy Ships would be permitted access to repair facilities at Surabaya and Lumut respectively.[555] Singapore has been at the forefront of lobbying efforts to keep the United States engaged militarily in the region since the end of the Cold War.

The Memorandum of Understanding of 1990 and the Goh-Bush agreement of 1992 between the two nations provides for expanded access to Naval facilities and for repair and maintenance of US Navy vessels in Singapore. The MOU provides for the stationing of the Naval Logistics

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[552] Derek Da Cunha. "Major Asian Powers and the Development of the Singaporean and Malaysian Armed Forces," *Contemporary Southeast Asia*, Vol. 13, No, 1, June 1991, p. 62.
[553] "RSAF turns to Israel for EW," *Jane's Defence Weekly*, October 10, 1992, p. 5.
[554] "Places Not Bases." *FEER*, April 22, 1993, p. 22.
[555] "Jakarta to Allow US Warships Use of Repair Facilities," and "Lumut Base Offered To US as Depot," *Asian Defence Journal*, December 1992, pp. 112-113.

Command (CTF-73) in Singapore and a small number of permanent Air Force Personnel to support aircraft movements. While the numbers are small, the precedent of visible support for the United States military is significant.

Dr. Yeo, described the context and intent of the agreement:

> Over the past decades, the presence of the US military has contributed to regional peace and stability. The ASEAN countries have built upon this regional stability, resulting in significant economic progress. A US withdrawal from the region will leave a vacuum. Regional powers, such as China, Japan and India will move to fill this vacuum and jockey for influence or dominance. This makes for a more unstable and contentious region, diminishing investment potential to global multinationals. Economic progress is ASEAN will be affected... Such an agreement [the MOU] was made based on the longstanding policy of access to Singapore Facilities for friendly countries like the US which contribute towards the security of the region.[556]

Singapore, perhaps more than any other regional country views with extreme discomfort any indication of US military disengagement in Southeast Asia. A further sampling of recent official statements is revealing. From a ministry of Defence Publication, *in which an entire page, separately titled,* "US presence in the region" is included;

> Singapore believes the presence of benign friendly powers such as the United States has been important to the region. That is why we have expressed our support for US presence in the region and we also provide the US military access to our facilities in Singapore.

A February 1993 interview by Seoul-based KBS-1 Korean television of Prime Minister Goh Chock Tong:

> We should help the United States carry on its role in the Asia-Pacific region. We should increase imports from the United States. If we increase buying from the United States and provide reasons warranting investment, the United States will take an interest in protecting its

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[556] "An exclusive interview with Dr. Yeo...,p.6.

> markets in this region...Therefore, we ought to provide the United States with a reason for it to maintain its troops here.[557]

And finally, lest anyone think that the party line of the "successor generation" represents a departure from "old guard" PAP thinking, Lee Kuan Yew, purveying some "hard truths" in a recent interview with Nayanda Chan in the Asian Wall Street Journal:

> If, over the next 10 years, America does not drive a substantial stake in the industrialization and prosperity of East Asia, including ASEAN, there's bound to be a swing in public opinion on America. *It's not the job of America to maintain the stability and security of the Pacific for the benefit of Japan and the Asian nations...We must keep our markets open for the Americans.* If we don't do that we are stupid. The Americans have opened their markets... and allowed us to develop. It is in our interest to open our markets to America and make sure that the American manufacturing and their service sector find markets here. *There must be economic benefits for the American* (Security) *role.*[558]

Military Strengths and Weaknesses

Strengths

The strengths of Singapore's defense establishment have their roots in the strength of the political will of the PAP government. This, coupled with the buoyant economic performance of the economy, which is projected to grow at least 6% yearly through 1994,[559] will give SAF planners ample resources to carry out their programs. The overwhelming air superiority the SAF possesses regionally, particularly with its Hawkeye early warning aircraft, would give Singapore the ability to gain control of the air rapidly in the case of regional conflict. As the British learned in World War II, control of the air can quickly translate to control of the sea. The acquisitions of MPA aircraft, MCVs and MCMVs have enhanced Singapore's seaward defenses vis-a-vis its regional neighbors and would make it difficult to quarantine the Republic.

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[557] Text of broadcast of Seoul KBS-1, 1240 GMT, February 27, 1993. Published in *FBIS, East Asia Daily Report*, March 10, 1993, p. 38.

[558] Op. cit. in David Winterford, "Chinese Naval Planning and Maritime Interests in the South China Sea: Implications for U.S. and Regional Security Interests," Occasional paper, Naval Postgraduate School, June 1993.

[559] *Regional Outlook, Southeast Asia 1993-1994.*

The defense relationship Singapore has cultivated with the United States certainly represents a strong commitment to regional defense against the rise of potential hegemons. The other bilateral relationships that Singapore maintains, and, specifically strengthening ties with Indonesia, are particular strengths in Singapore's recent policy initiatives. These bilateral ties and the FPDA assist in training in peacetime and help minimize the chance of regional conflict. The political weight Singapore carries in ASEAN as well as the indispensable niche it is carving out for itself in the regional and global economy also serve to minimize the chances that a potential aggressor would attempt to influence or change Singapore's political order by force of arms. The strong commitment of the nation to develop an significant defense industry is a notable strength. This would enable Singapore to continue to operate militarily in the face of difficult regional and international political circumstances.

Weaknesses

There is, as previously discussed, growing dissatisfaction with the domineering rule of the PAP government. This extends to defense policy, where there has been growing criticism of conscription, as this delays young men from entering the private economy. There is no indication that the end of the conscription is being considered nor should one expect such consideration. As the middle class grows, the political capacity of the PAP to continually sell the need for the "garrison state" mentality in the absence of a tangible threat will come increasingly into question. Singaporeans, like Americans, want their peace dividend. Size of the defense forces remains a question that SAF planners must deal with. Earlier efforts at population control were more successful than anticipated and the shrinking manpower pool is a real concern. This coupled with expanding opportunities in the private sector and better educational levels, further exacerbates the problem. Ironically, the solution to shrinking manpower pools, more reliance on technological improvements, creates one problem as it addresses another. The military faces a "brain drain" as it attempts to retain highly trained officers and noncoms. These elements, who form the core of a mainly conscript force, have in many cases received extensive training and have skills that are much in demand in the private sector. The problem is particularly acute in the Navy and Air Force, which have fewer conscripts and require more extensive technical skill.

As always, communal political issues remain. The furor of discrimination with regard to Malays in the SAF must still be resolved. The relationship with Malaysia will continue to be cyclical and fraught with potential dangers, more from mistake than design. The main question for Singapore to address in the post-Cold War era is whether the internal pressure to ease the requirements of the "rugged society" will push leadership toward policies which will weaken the resolve so evident for the past twenty-eight years. Given the record of the PAP, such an outcome is unlikely. Should the PAP's power erode to the point where a real opposition emerges as an active part of Singapore's political life, however, such a consequence is not entirely impossible.

VII. The National Interests of Singapore and the United States

A. Introduction

As a new century approaches, one that many have already labeled the "Pacific Century,", Singapore and the United States both face the challenges of a new and uncertain age. Yoichi Funabashi has argued that the coming years will witness the "Asianization of Asia." His assessment is that Asia's dynamic growth, emerging middle class, gradual democratization, self-help discipline, open regionalism, self-confidence and healthy optimism can all be positive factors in shaping the new world order. [560] Funabashi goes on to stress that Asia should not delude itself that it can develop solely in regional terms but rather concentrate on building a truly interdependent world, particularly an Asia-Pacific community which includes the United States.

The terms that Funabashi describes certainly apply to Singapore. Perhaps more than any other Asian nation, Singapore has an interest in the development of an Asia-Pacific community which includes the United States. In much the same way, with the robust development in East and Southeast Asia and the economic opportunities there, Singapore provides the United States with a small but influential potential partner with which to access these emerging markets. With a similar geostrategic outlook, Singapore's strong support for the maintenance of a continued United States military presence in Asia offers many benefits for the United States. The United States has much to gain by cultivating cordial and productive relations in Singapore.

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[560] Yoichi Funabashi, "The Asianization of Asia," *Foreign Affairs*, Vol. 72, No. 5, November/December, 1993, p. 84.

The relationship of Singapore and the United States is perhaps at the forefront larger challenges faced by United States policy-makers with regard to the rising power of Asia. Economically vibrant Singapore has provided its citizens with remarkable gains in their standard of living. At the same time, political openness, assumed by some to be a logical consequence of prosperity, has been resisted. Still, Cicero's maxim that the good of the people is the chief law appears to be equally applicable to the leaders of the Republic of Singapore and the leaders in the United States. The difference, it seems, is that in Singapore the people are viewed in the aggregate and in the United States they are viewed more individually. This same contrast is true more broadly throughout Asia. The question to be answered as the new century approaches is whether these different viewpoints, which, after all, are directed toward a similar goal, will stand in the way of productive and mutually beneficial relationships.

It is entirely appropriate for a nation to stand for a particular set of principles. Indeed, a nation would be lost without them. When it comes time to measure accounts, however, it is how these principles are applied and whether they contribute to the good of the people that is the true measure of the success or failure of a government. Singapore and the United States have adopted very different principles in organizing their societies but both have achieved success in serving the good of the people. The principles upon which a nation bases its values and organizes it society are deeply rooted in the birth experiences which lead to nationhood. The principles of individualism, freedom, and minimal government influence in the lives of citizens are entirely appropriate for a nation than was born on a vast and empty continent. The United States required a tough breed of individualists who would strike out on their own to build a nation. Likewise, the principles of tightly organized and controlled group effort, attention to a strict set of commonly held goals and behavioral norms, and sacrifice for the common good are entirely appropriate for a nation that was born in a small, restricted, heavily populated urban space. Devoid of resources, ethnically diverse and vulnerable to influence from its sometimes hostile neighbors, Singapore's principles were a completely rational response to the challenges they face.

No system of government is perfect and all have their contradictions. Neither are successful governments static entities. Those who remain so and fail to address the contradictions that they contain, do so in violation of Cicero's maxim and eventually find their way onto history's scrapheap. The United States faces the contradictions of an increasingly urban society where the rights of the individual are being challenged in the name of either the common good or the special needs of one group or another. There are more and more calls to address the special need of particularistic groups, based on racial, gender, and even sexual preference lines. In Singapore, rising affluence and better education have resulted in challenges to the maxims of strict government control and the notion of the rugged society. Each of these nations finds its dominant cultural mores under challenge. In the United States, which has long prided itself on being a melting pot, there are increasing calls for multi-culturalism. In Singapore, equally proud of its success as a multi-cultural nation, the calls for the definition of shared common values sparked some critics to call for a society that is more of a melting pot, not divided along cultural lines[561]. In each country abandoning or modifying principles that have served well in building successful nations but which may no longer be appropriate as these countries move toward a new century is a painful and difficult process.

In both nations governments wrestle with problems that demand solutions. That they do so with contrasting styles does not mean that they do not share common goals and interests. Contrasting does not mean contradictory. As such, it is of concern to explore those areas in which the interests of the two nations are largely similar and those issues which might cause contention between the two. In the areas of economic policy and defense, the views of the United States and Singapore are largely in consonance. In the diplomacy and politics there is disagreement and the potential for conflict of interest.

B. Economics

In the area of economics the United States and Singapore share the most common interests and hold similar viewpoints on most issues. Prosperity and participation in the economic boom in Asia is at the forefront of both the agenda of the United States and Singapore. The importance of the United States to Singapore is well known. Less well known, perhaps, is the significant stake that the United States has in Singapore. In 1991 17% of the United States two way trade with the Asia-Pacific region was with Southeast Asia. Singapore, a nation of less than three million people, ranked first among Southeast Asian nations in two way trade, claiming a remarkable 5.8% of total United States East Asia-Pacific trade. Singapore was the top export market in Southeast Asia for the United States and took 7.3% of all US exports to East Asia and the Pacific. Approximately 192,000 US jobs are generated by exports to Singapore.[562]

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[561] See "Playing the Identity Card," *FEER*, February 9, 1989, p. 35.

The United States Direct investment position (1991) in Singapore was larger than that in any other Southeast Asian nation.[563] The United States is Singapore's largest foreign investor, accounting for 39% of Singapore's total 1991 direct foreign investment (DFI)[564]. United States investment surged 24% in 1992 to S$1.2 billion.[565] The United States is Singapore's most important export market, absorbing 23% of Singapore's total exports in 1991.[566] This aggregate figure is somewhat deceiving, however, as the figure for non-oil exports is nearly 60%.[567] The United States imports more from Singapore than from any other Southeast Asian nation.[568]

With such extensive economic ties between the two nations it is clear that the United States has a significant interest in the Singaporean economy. Singapore has an even more critical interest in the health and well being of the US economy. With a total value of trade that is approaching four times its GDP, Singapore can be counted upon to support international efforts to liberalize international trade and provide expanded access to markets that are presently difficult to open.

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[562] Karen Hasselman, "The National Interests of the United States in Southeast Asia: Policy Changes for their Protection and Promotion since the Withdrawal from the Naval Base at Subic Bay," Masters Thesis, Naval Postgraduate School Monterey CA. 1993, p. 57.
[563] Ibid, 56.
[564] *Regional Outlook: Southeast Asia, 1993-94,* (Singapore: Institute of Southeast Asian Studies)
[565] "Despite competition, Singapore Posts Rise In Foreign Investments," *Asian Wall Street Journal,* February 8, 1993, p. 19.
[566] Ibid
[567] N. Balakrishnan, "Greeting Growth," *FEER,* 1993, p. 47.
[568] Hasselman, p. 55.

United States Assistant Secretary of State Winston Lord told an interviewer from the *Far East Economic Review* that President Clinton's efforts to revive the domestic economy in the United States dictated a high priority for Asia in foreign policy: " there's no region in the world as relevant to that [reviving the domestic economy] as the Asia-Pacific because it is by far the most dynamic region economically and its got the fastest growing economies.[569] United States efforts to eventually strengthen APEC to become a more powerful and influential organization for liberalizing the trading regime in the Asia-Pacific will receive support from Singapore.

APEC's 15 member economies now account for about 50% of the world's production and about 40% of global trade and will account for more by the year 2000.[570] Singapore can be expected to use its considerable influence within ASEAN, where there is some resistance, to lobby for a more vigorous and effective APEC. Singapore, with its high percentage of trade with the United States has already responded positively to proposals for a possible link up between NAFTA and the still developing ASEAN Free Trade Area (AFTA).[571] Lee Kuan Yew, in an article predicting Asia's future, foresaw the United States opening NAFTA to APEC members by the year 2000 and the emergence of a Pacific Free Trade Area (PAFTA) by 2008.[572] In the ongoing disputes between Japan and the United States, Singapore has echoed similar complaints to those which issue from Washington. In the same article mentioned above, Lee predicted that pressure from a stronger APEC would eventually force the Japanese to drop its import barriers.[573]

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[569] Susumu Awanohara and Nyana Chanda, "Uncommon Bonds," *FEER*, November 18, 1993, p. 17.

[570] Ibid, p.17.

[571] Chai Kim Wah, "US supports idea of Afta-Nafta link," *The Straits Times Weekly Edition*, July 31, 1993, p. 6.

[572] Lee Kuan Yew, "News from a time-capsule," *The Economist*, (Special Edition, 150 Economist Years, September, 1993), p. 13.

With the United States increasingly concerned with Asian trade issues, Singapore provides Washington with a partner which has a powerful stake in arguing for market liberalization throughout this dynamic region. Additionally, Singapore's recent efforts to expand its external economy also provide a powerful incentive for common efforts to support more formalized structures for protecting investment and minimizing transaction costs in emerging economies such as the trade and investment framework proposed for APEC.[574]

C. Defense

Singapore's *realpolitik* orientation in foreign policy and strong defense posture is well documented. While the efficacy of the "power vacuum" theory in Asia is still the subject of debate, the Singaporeans have made it clear that they believe that a precipitous withdrawal of United States military forces in the Asia-Pacific would be destablizing and probably encourage the expansion of regional military powers to fill the void. Singapore openly credits the United States military for contributing to regional stability in East and Southeast Asia which enabled the takeoff of the economies there. Singapore's support for the continued presence of United States military forces was welcomed by Washington and is very helpful in enabling US forces to continue operations in Southeast Asia and the Indian Ocean basin.

As Sheldon Simon has argued, a continued presence of US Forces in Southeast Asia, restrains Chinese, Japanese, and Indian build-ups to protect sea lanes which the 7th fleet presently secures. The continued presence of United States forces dampens the cycle of arms build-ups and provides viable protection for regional sea and air lanes. At this point, and even as halting steps are taken by ASEAN toward forming an organization to *discuss* regional security issues, defense ties to a friendly great power are preferable to the creation of an indigenous ASEAN defense pact. A Japanese military role commensurate with its economic role in Southeast Asia is still unacceptable to the region.[575] Singapore remains wary of Japanese Self-Defense Forces (JSDF) operating anywhere other than in the vicinity of the Japanese islands. Despite strong support for the US led coalition in the Gulf War, then Prime Minister Lee was not supportive of JSDF forces being sent beyond home waters in support of the effort.[576] Many ASEAN members remain very wary of Chinese intentions.

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[573] Ibid, p. 14.

[574] Susumu Awanohara and Nyana Chanda, p. 17.

Admiral Charles R. Larson has maintained that the forward presence of United States forces performs the following functions;

> Forward presence underscores the vitality of existing U.S. alliances; it promotes new friendships as host nations observe the benefits of training with U.S. personnel in an atmosphere of trust and confidence; it encourages and helps to underwrite the stable geopolitical climate necessary to promote economic growth; it assists not only nation-building efforts, but the promotion of democracy, by providing a working example of the American military's apolitical role; and it increases America's as well as friendly states' military preparedness. Most importantly, forward presence demonstrates on a daily basis the continued U.S. commitment to remaining an Asian-Pacific power.[577]

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[575] Sheldon Simon, "U.S. Interests In Southeast Asia," *Asian Survey*, Vol. XXXI, No. 7, July 1991, pp. 663-664.

[576] "Japan's Cabinet Backs troop Plan," *New York Times*, October 17, 1990, op. cit. in Simon, pp. 669-670.

[577] Charles R. Larson, "American Military Presence Remains Crucial for Asia," *Asian Wall Street Journal*, May 3, 1993.

Singapore's offer of facilities, accepted by the United States, provides access to an excellent location for enabling the United States to continue to carry out its forward presence mission. The Pacific Fleet Basing study completed by the Center for Naval Analysis (CNA) in May 1993 indicated that Singapore would benefit significantly from the regional stability factor that US access to its facilities would offer.[578] Katherine Webb, in a dissertation for the RAND Graduate School, rated facilities throughout East and Southeast Asia for their utility in supporting American forces in the Asia-Pacific. Singapore possessed all necessary facilities and required no further development or expansion to immediately host United States naval forces for ship repair and supply operations. Likewise, Singapore's ability to support naval magazine operations and naval air maintenance and training existed and with further expansion provide an excellent alternative to the former facilities at Subic. [579]

The interoperability of equipment possessed by Singapore's armed forces with those of the United States has already been touched upon. A recent report indicates that the RSAF is considering the acquisition of McDonnell Douglas F/A18 strike fighters, which would further enhance this facet of bilateral military cooperation.[580] In the event of a regional conflict that threatened common interests, such as a potential aggressor attempting to close the Straits, Singapore would be a reliable partner in a coalition effort to resist such aggression.

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[578] Hasselman, p. 98.

[579] Ibid, pp. 102-103,

[580] "Intelligence," *FEER*. October 14, 1993, p. 9.

Singapore offers the United States a valuable partner in regional security affairs and an excellent location to support its global military strategy. The world view of Singapore, adamantly supporting the sovereignty of nations, opposing the changing of recognized borders or governments by force and supporting peaceful conditions that allow societies to develop economically coincides with the principles of the United States. This consonance in world view and the fact that the United States is viewed by Singapore as the most trustworthy of the world's great powers (or least distrusted), in a region it believes will always be subject to the influence of the great powers, augers well for continued close cooperation in security efforts.[581] With regard to the issue of maintaining close military to military ties with nations with different viewpoints on trade, human rights, and democracy Admiral Larson indicated that while military cooperation was not immune from such issues, the US military did maintain a degree of independence:

> I don't think we're totally immune, but I think we're somewhat independent. We have proved in a lot of areas that in spite of political differences between countries, we've maintained strong military ties.[582]

D. Politics

It is in the political arena where Singapore and the United States clearly part company. Singapore is not about to change its political order to reflect more a more open and democratic style of government. This issue is really at the crux of Asian-Western disputes. As recent events have shown, however, the growth of a real political opposition seems to be underway. How the government deals with this phenomenon, while of interest to US policy planners, will take place in the context of Singapore's own parameters and as has been proven before, pressure from without will more likely hinder than promote such a process.

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[581] Lee Kuan Yew, "News from a time-capsule," p.17.
[582] "Places, not Bases," *FEER*, April 22, 1993, p. 22.

The PAP government of Singapore has amassed a rather remarkable record of progress in its twenty-eight year tenure (thirty-four years if one marks from before Singapore's independence) and the strongly authoritarian rule has attained a significant performance legitimacy. While to outside observers Singapore appears a prosperous and successful modern society, Singapore's leaders continue to view their hard-earned success as tenuous and fragile. What has been gained can just as easily be lost. Vulnerable to the vagaries of the world economy, the shifting tides of regional politics and the ever-present possibility of internal racial difficulties, the government's heavy hand will continue to provide strong "guidance" to its society. The government of Singapore continues to maintain strict controls on the local press. Instances of the regulation foreign publications which publish what the government considers articles which intrude into Singapore's internal affairs and refuse to allow it the right of *unedited* reply continue. There is no indication that Singapore is prepared to abandon such policies. While there are those who chafe under such restrictions, it should be pointed out that Singapore in no way restricts emigration. Anyone who finds living under PAP rule too onerous is free to leave.

Lee Kuan Yew expressed his opinion on Asian responses to calls for democracy and human rights issuing from Washington:

> Americans generate a lot of cynicism.... When you are scrambling to make a living, having people preach to you about the sanctity of individual political rights or the virtues of political pluralism does not make sense. When America preaches political freedoms for the

> individual, the danger of invasions of personal rights and privacy and so on, it does not resonate.
>
> There is also a cultural divide here. What Americans consider important, the hallmarks of a good government or a good society, are not what Asians consider desirable. [In America] you see drugs, crime, muggings, infrastructure allowed to go into disrepair. Those are not indications of a well-run society. That's not what people in Asia want. They want a good government, which means a government that puts these things right.[583]

Lee's remarks highlight the difference in ruling philosophy in Singapore and in the United States. In the United States, the philosophy of individual freedom dictates (at least in theory) minimal government intervention in the lives of its citizens. The US model relies upon the citizen to "put things right," each in accordance with his own design of what that particular phrase means. In the Singaporean (and perhaps more broadly the Asian) context, the emphasis is on good government, which, as Lee implies, is able to formulate and impose solutions on almost all societal problems. The legendary banning of chewing gum in the island republic is perhaps the most famous example of the extent to which the government will take its efforts.

The crux of the issue is performance not process. Singapore has no admiration for democracy as practiced in the United States. Lee has argued many times of the dangers and poor portability of democratic institutions and the one-man, one-vote, two party system, "It didn't work in France, Germany, Italy, Canada, Australia, New Zealand."[584] Indeed, Lee endorses the view of Goh Keng Swee that "only the United States' fund of great wealth, robust strength and talent has prevented the collapse of democracy there."[585] The democratic process here is seen as unwieldy, inconsistent, and slow to respond to pressing needs. At the same time, few in the United States, even those who call loudly upon the government to provide solutions for all of society's ills, would find living in a society with Singapore's restrictions on individual freedom much to their liking nor would many endorse it as a model for others to follow.

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[583] "Can Uncle Sam bounce back?," *U.S. News and World Report*, December 21, 1993, p75.
[584] Minchin, p. 212.
[585] Op. cit. in Minchin, p. 212.

With many interests in common and much to gain from a cordial and friendly relationship between the United States and Singapore, two countries with different visions of how to organize and govern their societies, United States policy planners would be wise to heed the advice of former Secretary of Defense and Director of Central Intelligence James Schlesinger:

> Democracy is an organic growth It is not easily made into a transplant. In the West it has evolved over centuries - and has come to embody an innate respect for civil liberties. Our efforts at transplanting democratic forms, let alone the democratic spirit, have been mixed at best.....
>
> The point is not that we should cease to preach American values or that we should fail to express delight when other societies move closer to democracy. The point is that, even before we examine the trade-offs regarding economic growth or ancillary actions regarding foreign policy or countless other matters, we must conclude that, at best, the fostering of democracy is a delicate and quite tenuous guide to policy....
>
> Traditional diplomacy would suggest that we not pick fights, but rather base our stance toward other states on whether they are antagonistic or friendly toward us -- and not on their internal arrangements. Violation of the traditional tenets of diplomacy will come only at a cost to ourselves.[586]

D. Diplomacy

There is substantial agreement between Singapore and the United States on many international issues. Singapore, as a small state, is a strong supporter of the United Nations and the application of international law to solve disputes between nations.[587] Singapore's Tommy Koh has stated Singapore's position succinctly:

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[586] Schlesinger, p. 21.

> As a small country, our security interests are enhanced when the rule of law prevails and contrariwise, our security interests are jeopardized when the rule of might replaces the rule of law.[588]

There is, however, a substantial disagreement between Singapore and the United States on the application of diplomatic and economic pressure to force the pace of change in the internal politics of other nations and to deal with human rights issues. Recent United States foreign policy initiatives seem to indicate that this is an increasingly central organizing principle in the post-Cold War era.

This divergence in policy is exemplified by Singapore's concern over United States policy with regard to China. Responding to an inquiry on what he thought about Washington's China policy, Senior minister Lee remarked:

> Let's put it this way. You are treating the Russians with kid gloves. But you are treating China as if it were an aid-dependent Third World country. Is that sensible? In American politics, it is only in a crisis like Somalia that there is a concentration of the minds. Otherwise, the process just goes meandering along, sidetracked of whipped along at a tremendous pace by the media. I'm not sure the Chinese understand the sometimes haphazard way of making decisions.[589]

Lee has urged US policy planners to deal with the Chinese as they are and dispense with the use of economic levers as diplomatic tools to force internal reforms, such as the conditionality of Most Favored Nation (MFN) status. To Lee and the Singapore leadership, this is the height of lunacy, to punish the Chinese by a method which will harm the United States as much or more than it will harm the Chinese. Given the huge economic stakes, the ability of the United States to follow through on such threats is questionable at best. Should the Chinese fail to acquiese to United States demands, which is by no means unlikely, failure to follow through on such a posture will do damage to US credibility.

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[587] See Obaid Ul Haq, p. 124-125.
[588] Ibid, p. 125.
[589] "An Elder Statesman Surveys Asia's Future," *Business Week*, November 29, 1993.

This is consistent with Singapore's own policy of never linking trade and diplomacy when the issue is the form of government that a particular country operates. It is also consistent with Singapore's own carefully guarded sovereignty, which brooks no interference in its internal affairs. As Lee put it with regard to the Beijing government vis-a-vis American pressure tactics, "There will be no conversion on the road to Damascus. They want a deal." Isolation of China is viewed with great misgiving in Singapore. The course advocated there is to bring China into the world community now, without making demands on China's politicians that they view as undermining their control of China and potentially disastrous for China's internal stability.[590] In the view of Singapore's s leadership, as the Chinese integrate themselves into the world economy and educate their sons and daughters abroad, in time the realization will come that they are a part of an interdependent world. While such a change may take many years, this realization is viewed, in Singapore, as an inevitable result of integration into the community of nations.[591]

In the debate over human rights, Singapore and the United States, not surprisingly, hold very different viewpoints. Yoichi Funabashi in his article the "Asianization of Asia," commented that the United Nations conference on human rights in June of 1993 made Singapore's Foreign minister Wong

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[590] "Give Face, Make Deals," *FEER*, November 18, 1993.
[591] Ibid, p. 18.

Kan Sen (and others) 'realize the extent of his Asianness for the first time.'[592] A Deputy Secretary in Singapore's Ministry of Foreign affairs outlined five key elements which he believed represented the views of many Asians in the ongoing debates on the issue of human rights.

> First, all discussions between Asians and Westerners on human rights and freedom should be based on mutual respect....Westerners should stop lecturing Asians.
>
> Second, the fundamental concern of Western human rights activists is to end the egregious abuses and improve the living conditions of the 4.3 billion people living in the developing world. Yet the post-Cold War western campaign to promote human rights will barely make a dent in the lives of these people....
>
> Economic development is the only force that can liberate the Third World....
>
> Third, no one in the West should dream of overthrowing existing governments in Asia. While sporadic instances of political crackdowns should be critisised, these governments should not be penalized as long as their people's lives are improving.
>
> Fourth, both sides should work towards establishing minimal codes of civilised conduct....both Asians and Westerners are human beings. They can agree on minimal standards of civilised conduct that both would like to live under.
>
> Finally, on the difficult issue of press freedom, let me suggest that the West should not appoint itself the global guardian in this field. Let each society decide for itself whether it would help or hinder its development if it decides to have a free press.[593]

Schlesinger likewise concludes that the United States should be extraordinarily cautious in the application of trade sanctions as an instrument to 'underscore our disapproval of others who have failed to live up to American ideals.'[594] In an era when US economic policy is based on a desire to open markets and foster a free trade regime, the 'repeated and sudden interference with the flow of trade is a poor way to foster such trade and a greater international division of labor.[595]

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[592] Funabashi, p. 76.

[593] Live and Let Live, *FEER*, June 17, 1993, p. 26.

[594] Schlesinger, p. 24.

Singapore certainly represents one of the most remarkable success stories in Asian development. The United States would be well advised to pay heed to the opinions that issue from the island republic. While differences between the two will always be evident and disagreements will occur, the Singaporeans do have a unique viewpoint to offer US policy makers and an ability to measure the pulse of others in Asia. From their position as a largely ethnic Chinese nation in Southeast Asia, Singapore's leaders can offer a reasoned, if sometimes biased, assessment on regional issues. Well connected with the rising giant in East Asia, the Peoples Republic of China, and with less baggage in that relationship than Hong Kong and Taiwan, the opinions of Singapore's leadership offer a valuable insight into the workings of the Asian giant. Singapore's legendary pragmatism offers a useful counterpoint to the United States' ideological stances on a wide range of policy issues that are emerging as, perhaps, the American century fades and the Pacific Century dawns.

Funabashi poses an important question which applies to United States relationships throughout Asia and has particular relevance to the relationship between Singapore and the United States :

> Asia will no longer put up with being treated simply as a card; it will now demand respect as a player. Its success stories are likely to inspire and provide a voice for original, distinctly Asian ideas on a host of issues: human rights; the debate over democracy versus economic development; the relationship of corporate enterprises to the state, individuals to society, and society to the state; security in the new world order and the region. The question facing the United States is whether it will be able to

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[595] Ibid, p. 25.

understand these ideas dispassionately and coexist in harmony with Asian nations.[596]

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[596] Funabashi, p. 85.

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